

April 2, 1996

LB 1189, 1290

CLERK: 25 ayes, 1 nay to cease debate, Mr. President.

SPEAKER WITHEM: Debate is ceased. Senator Brown, to close.

SENATOR BROWN: Mr. President, members of the body, we have had people arguing on so many sides of this issue that it's hard for me to even keep track of it. Senator Chambers, in term of a disruption to the cash flow, the only way there could be a disruption to the cash flow is if we were not going to maintain our 3 percent minimum reserve. We are maintaining, in fact we're above the 3 percent minimum reserve based on 1189, so that is not really an issue. But I think it's really shaky logic to say, yes, it's easier to spend money, but no, we don't have to do this, you know, it doesn't make any difference, and that's not what we really want. Well, if it's easier to spend the money that must be what we really want. And the argument about 1290 being a solution to this, I support 1290, I think it's great because we're going to have the Legislature making more of the decision-making, and I do believe that we need to be in control. But as I read 1290, we need to get to a threshold in our minimum reserve of 190 million before we transfer into the Cash Reserve Fund. That's a fairly hefty amount for us to reach. I don't predict that we won't reach it this next year. So for me this is just about the timing. We have set the money aside. If the money does not exist, as people keep referring to it, then how can we possibly even talk about making it easier for us to spend nonexistent money? This money exists in the same way that any estimated receipts exist. The only reason that there is any connection to Maximus is that the Appropriations Committee acting responsibly was helpfully skeptical about receipts coming in. We have accommodated any of the shortfalls in our budget for this year, in our deficit budget, any shortfalls in that Maximus money. But that's the only reason that Maximus even figures into this. We have \$14 million of money that we have in our budget that we can transfer now to replenish our Cash Reserve Fund. The thing that I guess I really must respond to is the allegation that I am doing this for someone other than the Appropriations Committee and this body. I believe that what we did last year in the Appropriations Committee, by taking the \$20 million and setting it aside, was a responsible action. I believe that the Legislature voting in the budget last year, knowing that we had set aside \$20 million as a hedge, was a responsible action. And now I believe that putting the money into the Cash Reserve Fund