

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

February 22, 1999 LB 440A, 612

for FY 01. These are funds, though, that are not out of the General Fund but out of...the funds come from the Engineers and Architects Regulation Fund, and I would just move for advancement of the bill. Thank you.

SENATOR SCHIMEK: Thank you, Senator Jensen. There are no other lights. Do you wish to close? Waives closing. The motion is to advance to E & R Initial. All those in favor vote aye; those nay...opposed vote nay. Record, Mr. Clerk.

CLERK: 26 ayes, 2 nays, Madam President, on the advancement of 440A.

SENATOR SCHIMEK: Bill advances. LB 612.

CLERK: Madam President, 612 was a bill originally introduced by Senator Baker. (Read title.) Bill was introduced on January 19 of this year, at that time it was referred to the Judiciary Committee. Bill was advanced to General File. I have no amendments at this time, Madam President.

SENATOR SCHIMEK: Senator Baker to open on LB 612.

SENATOR BAKER: Thank you, Madam President, members of the body. What this bill does, 612, is change the support guidelines on child support. If a party is self-employed, the guidelines shall only allow the accelerated component of depreciation claimed on income tax returns to be added back to adjusted gross income. What we run into is a problem with self-employed individuals having their adjusted gross income increased to the point where it's financially impossible for to meet...for them to meet their child support obligations. As you well know, when you buy depreciable property, capital purchases, you recover the cost of those through depreciation and, although it's been an option that the courts have had that they not add this back in when they figure child support obligations, they have in fact been doing it. They've been adding it back on to adjusted gross income. And this bill would allow only the accelerated component of depreciation to be added back on, basically Section 179. Now we've researched this, the IRS regs and so on, and left it rather open; simply said the accelerated depreciation. As you know, most farm people, self-employed