

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

May 18, 1999

LB 881

I'm going to ask Senator Wickersham to assist me in improving my education on what it is we're doing if he's willing to yield to some questions.

PRESIDENT MAURSTAD: Senator Wickersham.

SENATOR WICKERSHAM: Yes.

SENATOR CHAMBERS: Senator Wickersham, the general revenues which the state possesses would be found where? Where would that be located, the state's revenues? The money that the state had taken in goes where?

SENATOR WICKERSHAM: In two different places. It goes to the General Fund to the extent it meets the forecast numbers that are adopted by the Forecasting Board. To the extent receipts, and I'm speaking of sales and income tax dollars because we have other miscellaneous receipts, to the extent the sales and income tax dollars exceed the forecast, they go into the cash reserve. Gas tax goes into the Gas Tax Trust Fund. We have a variety of miscellaneous fees and costs that generally go into cash funds for various agencies.

SENATOR CHAMBERS: Where would the money come from which goes into this reserve that we're talking about or that others have discussed?

SENATOR WICKERSHAM: It comes from two sources. One, if sales and income taxes exceed the forecast, those dollars automatically go in. The other source of funding is transfers from the General Fund or any other fund that we might legislate.

SENATOR CHAMBERS: Okay, but sales and income tax in the General Fund would be basically where most of that money that would wind up in the reserve would come from, transfers?

SENATOR WICKERSHAM: Yes, although you see in the next biennium, \$24 million are being transferred to the cash reserve, which originated in the Securities Fund. And those lapsed into the General Fund and then are transferred out to the General Fund, so those were...the source of that \$24 million is really a cash fund.