

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

April 6, 2000

LB 925

from under me if the Nebraska Legislature changed the rules. If I'm getting the credit from Nebraska and I know what the rules are in the state law, that's good. And if the state is thinking of changing the rules, I will have the Nebraska Legislature to respond to. But if I start down the road of getting this credit and the feds change 129, I either lose the credit or I comply with 129. And, of course, we have no power to influence federal legislation. By keeping this promise at the state level, people who have relied on the promise will come back in our face if we change that promise significantly and want to know why. We can promise that forum if we adopt the Landis amendment. We can't promise that forum if we adopt the Wickersham amendment. I oppose the Wickersham amendment, not because we dispute nondiscrimination, but because the Wickersham amendment carries with it...

SENATOR CUDABACK: One minute.

SENATOR LANDIS: ...several other elements that go beyond what I heard, the floor concerns, that I wanted to respond to. Thank you, Mr. Speaker.

SENATOR CUDABACK: Thank you, Senator Landis. Senator Wickersham, there are no further lights on. Did you wish to close on your amendment to the Landis amendment?

SENATOR WICKERSHAM: Thank you, Mr. President. I'm, as I was listening to Senator Landis, I almost wondered why I brought the amendment because obviously if this isn't going to be a qualified plan we're going to get more state revenues, we'll get state revenues because the employer will be providing a nonqualified benefit. The employees will be a little bit astonished. Yes, they will because they'll find out they have income without cash in their pocket. And they'll find out they owe the state of Nebraska and they'll find out that they owe the federal government, too. They'll find out that they owe two different governmental entities because their employer was "being nice to them." And if we don't adopt the provisions or if we don't incorporate the provisions of 129, guess what? We're giving employers an incentive to do just that. The existing law gives them every incentive to provide a tax-exempt fringe benefit. Why would we weaken the incentive to give a