

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

January 15, 2003

recession that refuses to loosen its grip, and our state has been stricken by a drought of historic proportions. Any one of these issues would have been a challenge. All together, as one of my colleagues said, they have created a perfect economic storm. Nebraskans answered the challenge of the terrorist attacks by giving of themselves through volunteering, donating blood, and contributing financially to those who were in need. And we promise never to forget the sacrifices of those who died that day in New York, at the Pentagon, and in Pennsylvania. Our commitment to freedom and the strength we find in it has never been stronger. We answered the call to a new war on terrorism by supporting our men and women in the military, but also by reinforcing our commitment to first responders here at home. Under the leadership of our own Lieutenant...of our own Homeland Security Director, Lieutenant Governor Dave Heineman, we developed a national model for bioterrorism preparedness, and a comprehensive plan to address agroterrorism. We are as prepared as we can be for that which we pray will never happen. For more than 18 months we have struggled to come to grips with the recession and its impacts. In conjunction with the federal government, my administration approved extended unemployment benefits for workers who had lost their jobs, while keeping our commitment to encourage the creation of new quality jobs across our state. The struggle continues, but so does our commitment to working families. Then there is the drought--a natural disaster impacting Nebraska and many other states. I will never forget seeing the South Platte River flowing at a trickle near Ogallala this last summer. Our farmers and our ranchers, who are some of the heartiest of all Nebraskans, and the communities in which they live and do business have suffered the most from this drought. For our state government, the greatest consequence of these four challenges has been a free fall in tax receipts that's worse than the Farm Crisis of the 1980s. The worst year then, Fiscal Year 1985, witnessed revenue growth of less than 1 percent, but it was still revenue growth. This compares to Fiscal Year 2002, when tax collections were \$91 million, or nearly 4 percent, less than 2001. In fact, 2002 tax collections were even less than 2000 tax collections by \$38 million, or nearly 2 percent. Ladies and gentlemen, 2002 tax receipts were truly historic on the downside. It is a credit to your efforts that we acted in a timely and responsible