

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

February 6, 2003 LB 85

guaranteeing this protection for the public. That's our role in government to protect the public. I will tell you that the idea of merit pay or bonus pay is intriguing and perhaps it could be done in the negotiated process. But I have doubts myself whether, in fact, we could entice someone to come into a very competitive market where they could go many places and take a guaranteed base salary for their services which are...actually involve a great deal of training and expertise, and so they've put in this commitment. And if they have a choice between coming to Nebraska and taking a small salary with a promise of a bonus or merit pay this year, no guarantee next year, I question whether, in fact, we could fill those vacancies. It is not the same as offering someone a base rate of salary. The third issue I bring before you is that many times we have boards that we have put in place, which are cash funded, that provide very, very careful analysis of the different professions in our state. They are cash funded and they are not state employees. So I think that the precedent is there for this. We could have framed it a different way, but in the past we have chosen not to. We have created a state employee system. And, fourth, I would bring to you the issue of federal preemption. Senator Jensen pointed out to you what is, in fact, very, very true; that Nebraska is extremely prominent in the insurance industry. There is a movement afoot within the insurance industry to move to federal preemption, so that insurance companies would not have to go through the laborious process of earning approval state by state, but that they could, in fact, have a one-stop service at the federal government level, such as we do have with federally chartered banks. When that happens, if that happens, the state would lose the premium insurance tax. This is a sizeable income to our state and something certainly we should consider. The movement is strong, and if, in fact, a state, such as Nebraska were...

SENATOR ENGEL: One minute.

SENATOR REDFIELD: ...ever to lose accreditation, we would find, in fact, that not only would our insurance industry fall, but we would see a movement across the nation to move to federal preemption. Thank you.