

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

March 25, 2003 LB 608

written...it was meant to be written consistent with the memo I got from Al Wenstrand, and the index for the \$8.75 (sic) urban is the workers' comp index. Let me read you the last section, because this is a memo from Al to me on March 10. There's a tremendous wage gap between rural and urban Nebraska with the counties identified as rural in LB 608 having a weekly wage, annual wage, 31 percent below the state average weekly wage. That gap is 50 percent when comparing the rural wage to that of the Omaha metropolitan area. The wage gap is increasing, being driven by the job creation in Omaha. Unless the intent of LB 608 is to make LB 775 a urban-only bill, a rural minimum wage tier that is lower than the proposed tier in LB 608 and has an index that compounds slower than that identified in LB 608 is necessary. Eight seventy per hour off the interstate in rural Nebraska is a stretch especially in nonmanufacturing industries. The compounding through an estimated four percent annual growth will put the wage level out of reach for most rural industries within a few years. I would recommend that you consider a lower minimum wage and a reduced compounding formula. For example, DED uses a minimum wage of \$8.25 per hour plus benefits. We do not define healthcare plans or benefits. It became a really ugly battle on "comparables" and the value of those benefits to a wage level without benefits. If you use the \$8.25 per hour plus an index at 75 percent of the increase in the average weekly wage rate, you get an annual increase that is more comparable to what is happening in rural Nebraska. That's what I've put in this amendment. Senator Brashear said I had, I think, ended the negotiations as they were. In fact, I have just simply changed the shape of it. Senator Brashear, I'm not negotiating with the lobby. I'm negotiating with my colleagues. I'm negotiating with Senator Baker, who, by the way, introduced and withdrew the amendment I just offered, last week. I'm negotiating with Senator Janssen, who thinks there shouldn't be anything with respect to minimum wage; it should be set in the market. I think that's what Senator Tyson thinks; it should be set in the market. Wages should be set in the market. I'm trying to see if there's something that we can all, or at least a majority, live with. My guess is that amendment FA1207, as written, will not get 25 votes, and when that happens we're going to have a bill that doesn't do enough good to justify its existence. This is my best attempt to you to describe a set of