

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

May 15, 2003

LB 320

Five years ago, we had a significant surplus in this state and there was a proposal that would return...it would return about \$35 million a year to the taxpayers. What was advocated for was we entirely fund community colleges at the state level so there would be no local assessment for community colleges at the local level. And I can remember Senator Beutler at the time saying we need to step back and think about what we're doing. You know, the economy won't go strong forever. We'll have tough economic times ahead. Don't spend this \$120 million on property tax relief, that we ultimately went ahead and did and it ended up that a person saw a \$20 benefit on a \$100,000 house. We gave back \$100 million over two years. Supposed to be a three-year program. I guess it was 90-some million dollars that we gave back, and nobody even noticed it. They didn't appreciate it, let alone notice it, and we basically squandered a significant amount of money that I wish we had today. Our problems wouldn't be quite so bad. So a lot of times when Senator Beutler files amendment after amendment, I, quite honestly, I tune him out upon occasion, but there's other times when he speaks that I listen. And I wish that we had listened to him five years ago when he warned us not to spend this rainy day fund, but we went ahead and did it in form of property tax relief that wasn't really even noticed. So when he stands here today and says, let's be careful about enhancing this benefit today, we don't know what's going to happen, I am going to listen to him. I will absolutely support an increase in fees to fund the unfunded portion of the judges' retirement. We absolutely have to do that. That is our obligation and I will support doing that. But as far as Senator Beutler's recommendation, let's be cautious about an enhanced benefit, I think he's right. We don't know what the economy is going to do. We don't know what the stock market is going to do here in the near future. I think our returns on our total investments are like a negative 7 percent, somewhere in there. And I also think we're doing better than pretty much any other state, but we don't know how long this is going or how long it's going to last. So if we enhance a benefit here, are we going to be back in a year adding, instead of \$4 in fees to make the plan whole, another \$2 or \$3 in fees? Or are we going to do a General Fund contribution as well? I think Senator Beutler hit the nail on the head. Let's do what we have to do to meet our obligation to