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LB 759

much deserved, work of our Appropriations Committee. You began to hear during the middle of the session that, well, we could do an extension of LB 1085. I want to respectfully suggest that an extension of LB 1085, which was passed over the veto of the Governor, which was necessary as the projections went south, was not the right way to do it; that we have correctly addressed the broadening of the base and the extension of taxes as set forth in LB 759. And it is not just the Legislature that has been a factor here. I am going to return, and I return there respectfully, but I am going to return to the fact that at the time we were hearing that our revenues were declining, that we were in economic crisis, that we had difficulty before us, that we were going to have to cut the budget by 10 percent and we weren't going to have any tax increases, our executive branch entered into the negotiations with regard to what state employees would be paid. Now Senator Bourne always gets nervous because he thinks I'm against state workers. I'm not against state workers. I've talked with state workers. But when I started looking for ways that we could do something about this problem next time, I frankly was surprised at what I found. The statutes are very clear. We do our labor negotiations once every biennium. Between approximately September the 15th and March the 15th preceding the biennium, the Governor appoints a chief labor negotiator. The chief labor negotiator serves at the pleasure of the Governor. That means they can be hired and fired. I'm not against state workers, but you know what? State workers get it. Talk with them. Why is it that when labor negotiations take place in business and industry the first issue that's protected is job security, not a relatively, relatively...I'm not being disrespectful...a relatively meaningless salary increase for everybody which, when aggregated together constitutes \$75 million of salary and benefits. And my point is we did not get here all by ourselves. The Governor can do what he does. He can negotiate the salary increase, the fringe benefit increase, and tell us what we must cut; we have to make it all work. LB 759 makes it work. It is not the broadest tax base in the nation. It is a tax base that is sufficiently broad so that it is representative of those with whom we compete in the region and in the nation. Our rates we would all like to have be more competitive. In the case of sales tax, that would be lower. If you want a lower rate, it's basic. There's no