

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

April 2, 2004

LB 1091

brought and successfully brought over things like that. There have been threats and there have been suits filed against us with respect to Universal Service Fund saying that the Universal Service Fund is a tax and that it's an illegal delegation of the authority to the Public Service Commission and that, by gosh, we want all of our money back that's been paid in on the Universal Service Fund. We're talking millions and millions of dollars. If that's successful, how do we pay that? There are environmental issues out there that we probably don't even know about, but you all know that we've had the asbestos litigation with tremendous judgments; the lead area, Senator Preister is very familiar with that in Omaha and some areas there. There are potential environmental claims all the time. There are a few school finance lawsuits, Senator Raikes, I think that are out there pending, and in some states those school lawsuits have resulted in judgments against the state, if I'm not mistaken, and some of those have been rather healthy, many millions of dollars. So I feel strongly, that whether or not this has any application to the pending matter with regard to low-level waste siting, that it is advisable, necessary and fair to change the interest rate from an unrealistic and an unfair rate that has no relationship to the marketplace or to the world that we're in today and it hasn't been touched since 1877, this particular number, to a rate that parallels the prevailing market rate as a policy. Now future litigation may or may not determine when this interest rate kicks in. To me, it makes no sense that the interest rate kicks in retroactively under a federal judgment back to replace an interest rate that now, by all accounts, is in place and the judgment is mounting at one point something percent but it's not final yet. This statute, 25-21,211, has not been the clearest, I'll grant you that, so we're trying to not only have a rate that is a fair rate, a prevailing market rate, but we're trying to clarify the statute just a little bit so that the date, the critical date that is referred to in the statute, is the date on which the court certified the judgment to the director of our Administrative Services. And the rate we're suggesting is not a 10 percent, or 5 percent, or 4 percent, but it ties back into our general judgment rate of interest under 45-103, which is basically the T-bill rate. I think it's a 52-week T-bill, plus 2 percent, which would be about 3.016 or so, which is about...which is more than double