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

March 22, 2005 LB 739

deal...and living with the free market result of construction projects being somewhat higher, I suppose, in the marketplace?

SENATOR CUNNINGHAM: Yes.

SENATOR BEUTLER: Why do we do that?

SENATOR BEUTLER: Well, that's a big question, Senator Beutler. And in the bill, in the array process, it attempts to kind of correct that situation. And it probably isn't going to totally correct the situation, there's no doubt about that, but construction will pay a higher amount in the new array system. And there's another section of the bill. I don't know if you've seen it yet, Senator, but...

SENATOR CUDABACK: One minute.

SENATOR CUNNINGHAM: ...where construction that comes from out of state, they will pay the higher amount, I think it's 5.4 percent, immediately, where before a new business coming in I believe the amount was 3.5 percent that they paid. So new construction, either new starts in Nebraska or construction companies coming into Nebraska, until they've had two years' worth of wages paid, they will pay the higher amount, in this bill.

SENATOR BEUTLER: Okay. So the situation or the difference between the construction category and other categories is corrected, to some extent. By what mechanism do we do that, and can you give us some common-person idea, of the extent to which it's corrected? I mean,..

SENATOR CUNNINGHAM: Well, when we go into the section where we...

SENATOR BEUTLER: ...if...

SENATOR CUNNINGHAM: ...we divide the businesses up by categories into 20 different categories, and it goes by...

SENATOR BEUTLER: Is that new or has that always been the case?