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FLOOR DEBATE

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LB 425

years after that, and you will see it says almost \$100 million down in two years. And this is what we need to be thinking about, particularly the members who will be here after those of us who are...whose terms are up will be taking over. And you will see that you're going to have to be confronted with that downturn that's going to be taking place. It's natural. But also, one thing that I would like to advise you of. The status report that we have here is without any of the economic incentives that are being considered. And the figures that I see on what happens when probably the reasonable amount of that comes into effect, it will be over \$200 million down in two years after this, for the next biennium. So I think what we need to do is to consider what we have provided for in this budget. I'm very proud of the efforts of the Appropriations Committee in regard to this particular LB 425, because they have been a very conscientious committee that has worked diligently. They showed up for the meetings. They stayed with it. And although we met long hours, they continued to work with us. So we did several things that are different from what the Governor had proposed. And incidentally, there was one other...two other factors that took place since the Governor had presented his budget to us. We had two meetings of the Forecasting Board that remarkably changed the dynamics of the economy in the state. The February Forecast Board meeting produced an increase of \$83 million this biennium...this year, and 90 additional million after that. And then for the succeeding year, it would be \$110 million. So they made a substantial improvement in our financial picture. Now, those of us on the committee knew, because of all of the materials that we had been seeing, we knew the economy was a lot better. But it hadn't been reflected, and the Governor's proposal was based on an October forecast of last year. And we have a new Forecasting Board, and they, I think, are tuned in to what's going on in our state. So, the Governor didn't know that at the time that the budget was proposed. And the Governor didn't know that they were going to meet again...they knew he was going to...they were going to meet again April 28, but didn't know the dramatic results of that meeting, where \$40 million went to our cash reserve, and \$20 million added to each of the years. So that's now reflected in our status report. So that's how we get to the approximately \$60 million for the biennial budget that we are looking at. And