

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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FLOOR DEBATE

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LB 425

ASSISTANT CLERK: Senator Byars would move to amend with AM1440. (Legislative Journal page 1372.)

SENATOR CUDABACK: Senator Byars, to open on your amendment, AM1440, to the committee amendments.

SENATOR BYARS: Thank you very much, Senator Cudaback, members of the body. I want to give you a little refresher course to those who have been in the body for some time and an educational background for those who are new to the body. This amendment is a substantially...substantial increase in the Appropriations Committee recommendations. And I'd like to explain to you why we're bringing it to you today. It does increase funding in the next fiscal year by \$643,000-plus of General Funds, but also brings in almost \$1 million in federal funds to match that; would increase the budget by \$1,675,000 in General Funds in 2006-2007; would bring in nearly \$3 million, \$2,678,000, in matching federal funds. Over almost 15 years ago in 1991 Developmental Disabilities Services Act was passed by this body calling for adequate and equitable funding for disabilities programs. And understand, what I'm bringing to you today is what I feel is, when we say rate equity, is a fairness issue. And the whole reason for this and the whole history behind this is that we have typically in our reimbursement system not funded entry-level direct care staff of those providers of services to people with developmental disabilities at even close to the same level that we pay our entry-level workers at Beatrice State Developmental Center and typically in our other institutional type settings around the state. In the early to mid 1990s, in order to try to correct this, the Appropriations Committee and the Legislature developed a funding methodology that was based on keeping the gap in salary between state employees and the employees of community-based providers from expanding, from getting larger. According to a study by Deloitte Touche at that time, state employees, and that still holds true, receive approximately 35 percent more salary and benefits for comparable responsibility for community providers. And the plan at that time was to tie the funding to 90 percent of the lowest-paid staff person at Beatrice State Developmental Center. This was done incrementally and it was considered at that time to be minimum funding that the state could defend if legal action were