

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

May 11, 2005

LB 425

(Legislative Journal page 1502.)

SENATOR CUDABACK: Senator Beutler, to open on AM1598.

SENATOR BEUTLER: Members of the Legislature, it's getting very late and I know your energy is about drained, but let me ask you to think seriously and carefully one more time tonight, if I may. Because I think it makes sense not to commit ourselves to about \$10 million worth of spending. This amendment would reduce the job training funding that we did earlier in the amount of \$15 million, \$7.5 million each of two years. It would reduce it to \$2.5 million each of two years, for a total of \$5 million instead of a total of \$15 million, and it would still, in doing that, triple, more than triple the amount of money that was spent last year. Where have we gotten ourselves to in these short two weeks? Two weeks ago we had a balance over and above the minimum reserve at something like \$55 million, even counting the A bills that were in process from Select File on. What do you think we're down to now? We're down to \$3 million, and that doesn't count the \$15 million that we took out of the Cash Reserve Fund for job training. And that, I needn't remind you, that bare \$3 million that we're above now, down from \$55 million or so, the problem in the out years is exacerbated way, way more. Anybody who thought that the property tax levy for schools was going to be restored to \$1 from \$1.05, when that time comes in our statute, can forget about it now, because as between the business incentives and the other spending that we've done, there is no way short of some kind of economic miracle that you'll ever get to property tax relief again as far as school aid is concerned. But it does make sense, I think, not to go whole hog right now on this training portion of the business incentive package. The business incentive package is \$65 million or so when it comes into full play without the training part of the package. Because that training will be an ongoing obligation, I see no way you can deny that. If you add all of that on right now, you're up to the neighborhood of \$70 million-\$75 million in a total business incentive package. Now, maybe in the end we want to do that. Maybe in the end we want to have that \$7.5 million a year for training. But I suggested that we do...that we do it more slowly; that it's very hard for any agency to gear up that