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

May 17, 2005 LB 312

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, suspect this is going to be the beginning of a long discussion. I am a supporter of LB 312. There are modifications to it I would like to see. I suspect many of us are in the same position. So I had a couple of things I wanted to put before you and see if you thought they made any sense. The amendment that is before you now, AM1623, deals with the wage...the average wage requirement for new employees, which you'll find on...if you want to follow on page 64 and 65 of the bill, lines 13 and thereafter. And basically, under the bill, the way it is now, Senator Landis has artfully constructed it so that you're entitled to a 3 percent credit in the event that your average wage is at least 60 percent of the Nebraska annual wage. That, to me, is pretty low. And then you get 4 percent if your average annual wage is 75 percent of the Nebraska annual wage. So what my amendment does is suggest that we move those two lower incentives to...from 60 to 70 percent of the wage for the very low...average wage, for the very lowest, and from 75 to 85 percent of the average annual wage for the next-lowest category, so that we're improving the wage structure in those two tiers. Now, one of the objections to doing that, somebody on General File debate, well, in some of the distressed area...rural areas of the state, it may be good to get even these low-paying jobs there. So I built into the amendment an exception. And the 60 percent for the first tier and the 75 percent for the second tier that are currently in the bill are retained in those areas of the state that are defined as distressed areas. I took the definition of "distressed area" from a definition that's already in the bill. So that by doing that, the rural areas, the distressed areas, will not be prejudiced by going to a higher wage level, but it will have the effect of encouraging or emphasizing getting good jobs here, opposed to jobs that, on average, pay much less than what our average is now. In fact, I have kind of a hard time understanding why we want to provide incentives for anything that's below the average wage, because basically, we're inviting in companies who will bring our overall wage level down. So at the very least, I would suggest that we improve these two lower tiers and have a slightly higher requirement than is in the bill now, in terms of wage levels, except, again, with respect to