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

May 17, 2005 LB 312

red vote on that. But I certainly support Senator Connealy's AM1608. And a lot of it is dealing, as he said, with the marketing tools. We have names on this package. It's...DED needed some help there as far as marketing this to prospective businesses coming to the state, and that's what a lot of this is. I'd be glad to help answer any questions, if I can. But Senator Connealy is the expert on this amendment. Thank you.

SENATOR CUDABACK: Thank you, Senator Baker. Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, think two years ago now, Senator Bromm and myself wrote LB 608, which passed, and it was the rural development bill that really came out of the Department of Economic Development's head at that point, Al Wenstrand, who later moved on to Florida. just sort of ... I think he wrote the ideas and put them under our door one day, because he (laugh) didn't want the executive branch to know that he was sort of sending us some ideas on what to do on economic development. And in those private communications, we created LB 608. It was a piece that was done out of frustration, because early on in the Johanns administration, you'll remember that we created an economic development act that was never used. It was there and on the books for a number of years, and unused, in part because, while we did have a salary or wage term in it, it did not fit well with the rural circumstances. It was too high. And the net effect was this: It meant that it distorted the marketplace and that people who wanted to go to rural areas were in pursuit of, in fact, lower labor costs, not higher labor costs. The reason I mention this in relationship to this is because, I think, you know, Senator Beutler was pointing that there is a component of LB 608 that has an \$8.25 number. It winds up being above, certainly, the minimum out in the rural area. It is a wage that fits into that scale, and it has not been a significant deterrent to the use of LB 608. For this year alone, we are now over \$700,000 of usage of the program. Alliance, Ainsworth are both cities that have had manufacturing and technology growth because of LB 608; that, in fact, it has incented some growth in rural areas for which I'm thrilled, since I feel some responsibility for that act's passage, since it was, in fact, my bill. But the most important point that I want to make here is