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SENATOR CORNETT: Yes. The amendment is basically a two-to-one exemption for retired military who return to work in the defense field. For every \$2 that they earn over \$40,000 in one of these select jobs, they receive a \$1 exemption off of their military retirement off their state income tax. The amendment that we have has clarifying language from last year that specifies that they must be working for a defense contractor, and they must have security...or...they must have a clearance that allows them to work in these fields; and further, that they must be performing work that they are qualified to do. Senator Chambers brought up the fact last year that the amendment, or the original bill did not specify that they would actually be working in classified areas. The amendment changes that, and I will read that to you. The main change: To the extent that wages and salaries exceed \$40,000 during the tax year, in order to receive the exclusion provided in this subsection, the taxpayer shall submit a certification signed by the employer's facility security officer that the employee, or employer, has received authorization to perform classified work for the federal Department of Defense, and that the taxpayer meets the eligibility requirements for access to classified information and actually accesses classified information in performing his or her duties.

SENATOR CUDABACK: I didn't mean you were restricted just to the amendment. You may address the bill as well, if you care to.

SENATOR CORNETT: Okay, that covers both the bill and the amendment.

SENATOR CUDABACK: Thank you, Senator Cornett. You've heard the opening on AM1810 to LB 472. Senator Landis, you're recognized.

SENATOR LANDIS: Senator Cudaback, members of the Legislature, I support this bill. I support this amendment. It is about sharpening our competitive posture vis-a-vis other states for a relatively narrow market, and that market is defense-related industries. But it is a potent one, given Homeland Security and the war on terrorism. Many other states do more for their veterans than we do, and we have a general policy here, and that is to not distinguish between pension income. Every pension