

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

March 22, 2006 LB 968

cash flow reserve funds. It's simply designed to be sure that at any moment in time, most often right after we've given out state aid payments, that the state has enough cash to go over to other periods of the year where there's more cash flow. So that's statutory and we always take that into account on the status sheet. So that \$116 million and that \$61 million you see there indicates that that's the amount over that cash flow reserve. Now, in addition to that cash flow reserve is what we call the rainy day fund or the Cash Reserve Fund, which again is shown on the very bottom of that status sheet. If you...if you go now to the white sheet, and I'm talking about the second page, this is the page I want to contrast for you with where we are now. I asked the Revenue staff...the...I'm sorry, the Appropriations staff, the Fiscal Office to insert numbers for me. I asked them to make only two changes. One, assume that the amount of A bills was \$10 million a year. Okay, as you know from the sheet we just looked at, it's already up to \$8 million and we haven't processed nearly all the bills yet, so that's probably a conservative number, given what you've said so far about A bills. In addition to that, I said simply put in, as it is, the Revenue Committee tax plan, just as it is. Okay. If you look at line 14 on that sheet, you'll see 2006 revenue bills. This is what your Revenue Committee tax package does to the status sheet--\$5 million less revenue, '05-06; \$84 million less, '06-07; \$79, almost \$80 million less, '07-08; \$84 million the next year. If you look at the next line, you'll see where we offset that somewhat by that Cash Reserve Fund transfer that I described to you earlier, that \$100 million a year broken up into two years. And, again, that's one-time money. It doesn't sustain the tax cut. If you come down to line 22, 2006 A bills,...

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: ...that shows you the assumption of the \$10 million in A bills and the effect of that. Then in line 23a is the ag land valuation change, which you see has a requirement of \$12-\$13 million of additional appropriation. The homestead exemption, \$6.8 million and \$7.1 million additional appropriations in the out years. And then we benefit by the way TEEOSA is treated in the Revenue Committee bill, in the sense