

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

April 3, 2006

LB 1256A

SENATOR CUDABACK: Senator Raikes, I understand that you are authorized to handle Senator Brashear's A bill so you are recognized to open on LB 1256A.

SENATOR RAIKES: Thank you, Mr. President, members of the Legislature. LB 1256A provides funding for the early childhood grant program, the 0 to 3 grant program. There are a couple, three things that would happen with this. Number one is that there would be some money appropriated to the Nebraska Department of Education for administration of the effort, \$10,000 in the first year and \$8,000 in the second year. This would sort of be a bridge between now, at the end of the session, and during that first year. As you recall, the proposal here is that there would be an amendment offered to...constitutional amendment offered to voters to provide that money from the Educational Lands and Funds permanent fund, part of that, \$40 million of that fund be used to support this program, not the principal but the earnings. So the fiscal note makes recognition of, in the first year, we would use \$40 million, the interest off of \$40 million of the Cash Reserve Fund, along with a \$5 million contribution that would come from private interests, for a total in the first year of just under \$2 million to support the early childhood grants. The state contribution would be \$1.8 million, the rest of the contribution would be from interest on the private fund. Then in the second year, assuming the constitutional amendment would pass, there is \$2.2 million to support the early childhood grant, 0 to 3 effort, that would come from those earnings. And I'm told that in the event that the constitutional amendment didn't pass, that that money would be taken out in the next budget process so that there's not a concern about making a commitment that will not be funded or that there wouldn't be funds for. So again, there is money for administration that goes to the Nebraska Department of Education and there's also, for the first year, an earning stream off of \$40 million of the Cash Reserve Fund. In the second year, money that would be earned off of \$40 million from the combination of the Educational Lands and Funds monies and \$20 million of private monies. So I'd be happy to try to address any questions. I urge your advancement. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. You've heard the