

**APPOINTEE:**

John P. Hillebrandt

This appointment is respectfully submitted for your consideration.

Sincerely,  
(Signed) E. Benjamin Nelson  
Governor

EBN:jc

**NATURAL RESOURCES DISTRICT REPORT**

In compliance with Section 2-3262 (R.R.S. 1943) a summary of all fees paid to date during calendar year 1993 to attorneys, lobbyists, and public relations representatives is indicated below by individual and by amount paid thereto.

DISTRICT	FEE
Lower Big Blue Natural Resources District Everson, Wullschleger, Sutter, Korslund, and Willet	1,942.50

**REPORTS**

Received annual report from the Nebraska Railway Council in accordance with the requirements of Neb. Rev. Stat. 74-1415.01.

Received annual report from the Nebraska Department of Economic Development as required in Nebraska Statutes 81-120.11.

**MOTION - Escort Governor**

Mr. Elmer moved that a committee of five be appointed to escort the Governor of the State of Nebraska to the Legislative Chamber to deliver his State of the State and Budget Address.

The motion prevailed.

The Chair appointed Messrs. Cudaback, Wesely, Preister, Ashford, and Mrs. Hillman to serve on said committee.

The committee returned and escorted Governor Ben Nelson to the rostrum where he delivered the following State of the State and Budget Address.

**STATE OF THE STATE/BUDGET ADDRESS**

MADAME PRESIDENT, MR. SPEAKER, MEMBERS OF THE LEGISLATURE, MY FELLOW NEBRASKANS:

OUR VERY EXISTENCE AS A STATE IS ROOTED IN PIONEER SPIRIT: THE DETERMINATION AND VISION OF OUR FORBEARERS.

FROM THE NATIVE AMERICANS WHO CAME BEFORE US, WE LEARNED THAT CAREFUL STEWARDSHIP OF THE LAND IS ESSENTIAL TO OUR LONG-TERM SURVIVAL.

OUR ANCESTORS' VISION FOR A BETTER LIFE -- AND THE METTLE IT TOOK TO ACHIEVE AND SUSTAIN THAT LIFE -- SERVES AS A MODEL FOR US TODAY.

TIME AND TIME AGAIN, I HAVE SEEN OUR CITIZENS BLAZE NEW TRAILS INTO NEBRASKA'S FUTURE AND SETTLE INTO NEW AREAS OF PROSPERITY.

FROM FALLS CITY TO CHADRON, KIMBALL TO SOUTH SIOUX CITY AND EVERYWHERE IN BETWEEN, COMMUNITIES THROUGHOUT NEBRASKA ARE TAKING CONTROL OF THEIR FUTURE AND ACHIEVING SUCCESS.

WITH YOUR HELP, WE WILL CONTINUE TO HEAR SUCCESS STORIES FROM ACROSS OUR STATE.

GEORGE W. NORRIS HAD A VISION FOR THIS UNICAMERAL FORM OF GOVERNMENT: A VISION OF CITIZEN LEGISLATORS, GATHERING IN NON-PARTISAN COOPERATION, AND ELOQUENTLY DEBATING THE ISSUES TO REACH THE HIGHEST ACHIEVABLE GOAL: THE COMMON GOOD OF THE PEOPLE.

WE HAVE WORKED WELL TOGETHER -- THE LEGISLATURE AND THE EXECUTIVE BRANCH -- AND WE HAVE ACCOMPLISHED MUCH.

I LOOK FORWARD TO WORKING WITH YOU THIS SESSION AND AGAIN, TO ACCOMPLISH MUCH FOR THE BENEFIT OF OUR STATE.

OUR FISCAL HOUSE IS IN ORDER. REVENUES ARE COMING IN AHEAD OF PROJECTIONS. WE HAVE A SOLID BUDGET RESERVE. WE'VE SET PRIORITIES, AND CAN ACCOMPLISH OUR INITIATIVES WITHOUT A TAX INCREASE.

PRUDENT INVESTMENTS FOR THE FUTURE CAN BE MADE WITHIN THE PARAMETERS OF FISCAL RESPONSIBILITY.

WE HAVE MADE RESPONSIBLE DECISIONS.

\*\*TOGETHER, WE STABILIZED THE PERSONAL PROPERTY TAX SYSTEM THAT THE COURTS THREW INTO CHAOS.

\*\*WE CUT ONE HUNDRED MILLION DOLLARS FROM THE STATE BUDGET LAST YEAR.

\*\*WE HAVE BEGUN TO BRING THE RISING COST OF MEDICAID -- THE HUNGRY GIANT OF OUR BUDGET -- UNDER CONTROL. I'M PROPOSING MORE CHANGES TO THE PROGRAM THIS SESSION.

IN ADDITION, WE'VE INCREASED STATE AID TO EDUCATION BY NEARLY SEVENTY-TWO MILLION DOLLARS SINCE I BECAME GOVERNOR.

NEXT FISCAL YEAR, THE STATE WILL GIVE NEARLY \$399 MILLION DOLLARS TO SCHOOLS -- THAT'S PROPERTY TAX RELIEF. IN FACT, NEARLY SIXTY PERCENT OF THE STATE'S TAX DOLLARS ARE SENT BACK TO LOCAL GOVERNMENTS AND INDIVIDUALS IN THE FORM OF STATE AID.

WE SPEND ABOUT NINETEEN PERCENT OF OUR BUDGET ON HIGHER EDUCATION. STATE OPERATIONS ACCOUNT FOR ONLY TWENTY ONE AND A HALF PERCENT OF OUR TOTAL STATE

BUDGET. THE FACT IS: WE HAVE FEWER STATE EMPLOYEES TODAY THAN WE DID ONE YEAR AGO.

WE WEATHERED THE FISCAL STORMS -- AND OUR CITIZENS WEATHERED THE STORMS WROUGHT BY MOTHER NATURE.

INDEED, FLOODS, WIND AND HAIL WREAKED HAVOC IN THE STATE LAST YEAR. CROPS, HOMES AND LIVELIHOODS WERE WIPED OUT, BUT THE SPIRIT OF NEBRASKANS WAS NOT.

DESPITE THE SETBACKS, WE ARE BLAZING NEW TRAILS OF PROSPERITY AT HOME AND ABROAD. AND NEBRASKA AGRICULTURE IS LEADING THE WAY.

FROM OUR FARMERS AND RANCHERS, TO THE MEAT PROCESSORS AND AG RESEARCHERS, EACH PERSON INVOLVED IN NEBRASKA AGRICULTURE IS A PIONEER OF INNOVATION, EFFICIENCY AND QUALITY.

PRODUCTION AGRICULTURE IS THE CORNERSTONE OF OUR STATE'S ECONOMY. BUT IN TODAY'S GLOBAL MARKETPLACE, IT'S NOT ENOUGH TO JUST PRODUCE QUALITY GOODS. OUR TRADE MISSIONS HELP TO ENSURE A MARKET FOR THOSE GOODS. THEREIN LIES THE FUTURE PROSPERITY OF NEBRASKA AGRICULTURE:

**\*\*AN ISRAELI BUYING TEAM RECENTLY ORDERED MORE THAN TWENTY TONS OF NEBRASKA BEEF, AND MORE ORDERS ARE ON THE WAY;**

**\*\*JAPAN'S TWO LARGEST GROCERY CHAINS NOW BUY NEBRASKA BEEF. AND WHILE JAPAN'S OVERALL BEEF IMPORTS HAVE BEEN DOWN FIFTEEN PERCENT, ITS IMPORTS OF NEBRASKA BEEF ARE UP THREE HUNDRED PERCENT; ALSO**

**\*\*WE ARE NOW SELLING NEBRASKA BEEF TO TAIWAN, ALSO**

**\*\*OUR LATEST MISSION TO CHINA, HONG KONG AND TAIWAN SHOWED HUGE MARKET POTENTIAL, AND GREAT PROSPECTS FOR FUTURE SUCCESS.**

WHILE WE CAN'T CONTROL THE WEATHER OR THE PRICES, WE CAN AND ARE EXPLORING -- AND TAKING ADVANTAGE OF -- THE EXPANDING MARKETS FOR ALL NEBRASKA PRODUCTS.

AT HOME, WE CONTINUE TO WORK TOWARD NEW MARKETS FOR ETHANOL.

A RECENT DECISION BY THE FEDERAL GOVERNMENT TO REQUIRE THAT THIRTY PERCENT OF SMOG-REDUCING GASOLINE CONTAIN RENEWABLE FUELS, MEANS THERE WILL BE A GREATER DEMAND FOR AG PRODUCTS -- AND NEBRASKA STANDS READY TO BENEFIT.

WE HAVE NEARLY ONE HALF BILLION DOLLARS OF ETHANOL PLANT CONSTRUCTION IN THE WORKS. AND BY 1998, NEBRASKA WILL BE ONE OF THE TOP TWO ETHANOL PRODUCING STATES IN THE NATION.

OUR GOAL IS HIGHER PRICES FOR CORN AND MORE JOBS FOR NEBRASKANS.

I SEE A STABLE AND PROSPEROUS FUTURE FOR NEBRASKA. OUR FUTURE IS DEPENDENT UPON THE STABILITY AND PROSPERITY OF OUR RURAL COMMUNITIES.

IN 1990, I IDENTIFIED RURAL NEBRASKA AS A PRIORITY. I PLEDGED TO DO WHAT I COULD TO ENSURE THAT RURAL NEBRASKANS WERE AFFORDED EVERY OPPORTUNITY TO PROSPER.

THREE YEARS LATER, DUE TO THE HARD WORK, LEADERSHIP AND VISION OF THE RURAL DEVELOPMENT COMMISSION AND OUR LOCAL CITIZENS, RURAL NEBRASKA IS SHOWING CONSISTENT AND INCREASING LEVELS OF ECONOMIC VITALITY, GROWTH AND ENTREPRENEURSHIP.

FOR THE FIRST TIME IN DECADE, NEBRASKA IS SEEING "RE-POPULATION" INSTEAD OF "DE-POPULATION". GROWTH IS REPLACING DECLINE.

WE HAVE COME A LONG WAY IN ECONOMIC DEVELOPMENT, BUT WE MUST DO MORE.

I HAVE CHALLENGED THE RURAL DEVELOPMENT COMMISSION AND OUR RURAL PARTNERS TO CREATE A VISIONARY DEVELOPMENT AGENDA FOR THE YEAR 2000 AND BEYOND.

WE MUST WORK TODAY TO ENSURE THAT EVERY COMMUNITY -- BOTH RURAL AND URBAN -- HAS A STRONG DEVELOPMENT AGENDA.

TOGETHER, WE HAVE GIVEN COMMUNITIES NEW TOOLS:

**\*\*THE ENTERPRISE ZONE ACT WILL GIVE ECONOMICALLY CHALLENGED AREAS ANOTHER TOOL TO REVITALIZE AND REINVEST IN THEIR COMMUNITIES AND NEIGHBORHOODS.**

**\*\*WE ARE ALSO CONVENING "EXPO '94" LATER THIS YEAR. THIS WILL PROVIDE TRAINING, NETWORKING, MARKETING AND SALES OPPORTUNITIES TO ENCOURAGE ENTREPRENEURSHIP AMONG WOMEN AND MINORITIES.**

**\*\*WE ARE ASSERTING NEBRASKA'S PRESENCE IN THE GLOBAL ECONOMY THROUGH THE NEBRASKA INDUSTRIAL COMPETITIVENESS ALLIANCE.**

**\*\*ON APRIL 6th, WE PLAN AN INTERNATIONAL TRADE CONFERENCE, BRINGING TOGETHER BUSINESSES-- BOTH BIG AND SMALL -- TO SHARE THEIR EXPERTISE ON HOW TO TAKE ADVANTAGE OF MORE INTERNATIONAL TRADE OPPORTUNITIES.**

YES, OUR ECONOMY IS STRONG. YES, WE CONTINUE TO BOAST ONE OF THE LOWEST UNEMPLOYMENT RATES IN THE NATION.

BUT, WE MUST CONTINUE TO CREATE JOBS AND STRENGTHEN NEBRASKA'S ECONOMIC POSITION AS A LOCAL PRODUCER AND A WORLD PROVIDER.

THIS ADMINISTRATION WILL CONTINUE TO AGGRESSIVELY RECRUIT BUSINESSES OF ALL SIZES TO THE STATE OF NEBRASKA. AND WE WILL ASSIST NEW BUSINESSES TO START HERE, AND ALL BUSINESSES TO GROW HERE AND PROSPER HERE.

OUR STATE AND OUR PEOPLE HAVE A GREAT DEAL TO OFFER.

TOGETHER, WE CAN BUILD A BETTER NEBRASKA.

TOGETHER, STATE GOVERNMENT AND LOCAL COMMUNITIES CAN CONTINUE TO WORK AS PARTNERS TO ENHANCE OUR POSITIVE, ECONOMIC ENVIRONMENT.

WE HAVE ENHANCED OUR ABILITY TO ATTRACT BUSINESS, INDUSTRY AND PEOPLE TO THE STATE:

- \*\*WE FIXED THE PERSONAL PROPERTY TAX PROBLEM;
- \*\*WE SLOWED THE GROWTH OF STATE GOVERNMENT;
- \*\*WE HAVE HELD THE LINE ON THE BUDGET;
- \*\*WE REFORMED OUR WORKERS COMPENSATION SYSTEM;
- \*\*WE'VE SUPPORTED EDUCATION;
- \*\*WE'VE SUPPORTED THE ENVIRONMENT;
- \*\*WE CUT INCOME TAXES FOR FOUR HUNDRED THOUSAND NEBRASKANS; AND, MOST IMPORTANTLY
- \*\*WE ENCOURAGE AND WE SUPPORT LOCAL INITIATIVES AND GRASS-ROOTS LEADERSHIP.

MY FELLOW NEBRASKANS, WE HAVE ACCOMPLISHED MANY GOOD THINGS FOR OUR STATE. BUT WE MUST DO MORE.

THE PROSPERITY OF NEBRASKA IS ROOTED IN SOME VERY SIMPLE AND STRAIGHTFORWARD VALUES. THEY ARE THE MEASURE OF OUR ABILITY TO GROW AND PROSPER IN A SECURE SOCIETY.

THE HEALTH, SAFETY AND WELL-BEING OF ALL NEBRASKANS MUST BE PROMOTED IN ALL OF OUR LEGISLATIVE EFFORTS.

THERE ARE FEW "STAND ALONE" ISSUES ANYMORE. THE THREADS OF CRIMINAL JUSTICE, HEALTH CARE REFORM, WELFARE REFORM, ECONOMIC DEVELOPMENT, JOB-TRAINING AND EDUCATION -- AND HOW WE PAY FOR THEM -- ARE WOVEN TOGETHER.

THEREFORE, WE MUST ADDRESS THESE -- NOT AS ISSUES OF SPECIAL INTEREST OR PARTISAN POLITICS -- BUT AS ISSUES THAT IMPACT ALL NEBRASKANS RIGHT NOW.

THESE ISSUES WILL NOT GET SIMPLER THE LONGER WE WAIT.

WE CAN NOT SPEAK OF THE FUTURE IN ABSTRACT TERMS. THE FUTURE IS NOW; THE FUTURE IS ALL AROUND US. OUR FUTURE -- NEBRASKA'S FUTURE IS -- IN NO UNCERTAIN TERMS -- OUR CHILDREN.

WE MUST ASK OURSELVES: "WHAT CAN WE DO FOR OUR CHILDREN TODAY TO MAKE A BETTER TOMORROW?"

- \*\*TOGETHER -- AS CITIZENS AND LAWMAKERS -- WE MUST DO MORE TO KEEP OUR STREETS SAFE FROM CRIME;
- \*\*TOGETHER, WE MUST PREVENT THE LOSS OF OUR YOUTH TO SENSELESS KILLING;
- \*\*TOGETHER, WE WILL STOP THE RISING TIDE OF CRIME.

THE GOVERNOR'S CONFERENCE ON VIOLENCE AND YOUTH BROUGHT US TOGETHER TO COMBAT CRIME:

- \*\*WE ARE WORKING WITH COMMUNITIES TO DEVELOP AND IMPLEMENT IMMEDIATE PREVENTION PROGRAMS;

**\*\*I FORMED THE GOVERNOR'S YOUTH ADVISORY COUNCIL TO GIVE YOUNG PEOPLE A VOICE; AND**

**\*\*OUR COMMITMENT TO FINDING SOLUTIONS HAS BEEN NATIONALLY RECOGNIZED -- NEBRASKA HAS BEEN SINGLED OUT FOR OUR EFFORTS. AT THE INVITATION OF ATTORNEY GENERAL, JANET RENO, NEBRASKA WAS THE FIRST STATE CHOSEN TO TAKE PART IN A SPECIAL PROJECT TO FIND INNOVATIVE AND COMPREHENSIVE SOLUTIONS TO THE PROBLEM OF YOUTH VIOLENCE.**

**OUR WILLINGNESS TO TACKLE THIS PROBLEM TOGETHER HAS THRUST NEBRASKA -- IN A LEADERSHIP ROLE -- IN THE CRUSADE AGAINST YOUTH VIOLENCE.**

**STILL, WE MUST DO MORE. THE MODEL ON WHICH OUR CURRENT JUVENILE JUSTICE SYSTEM IS BASED IS COMPLETELY OUTDATED. IT HAS FEW IF ANY MECHANISMS TO HANDLE THE CRIMES WE'RE WITNESSING TODAY.**

**I BELIEVE THAT THE THREE-PRONGED APPROACH OF DETENTION, PREVENTION AND INTERVENTION IS THE BEST COURSE OF ACTION:**

**\*\*BY DETAINING THE MOST DANGEROUS "YOUTHFUL OFFENDERS" IN A NEW SECURE CONFINEMENT FACILITY;**

**\*\*BY CREATING A "BOOT CAMP" FOR NON-VIOLENT OFFENDERS;**

**\*\*BY PREVENTING GANG ACTIVITY, INCREASING CRIMINAL SANCTIONS, GETTING GUNS OUT OF OUR SCHOOLS; AND**

**\*\*BY INTERVENING, TO REBUILD THE SELF-ESTEEM AND DIRECTION OF OUR YOUNG PEOPLE WHO ARE AT RISK. BUT WE MUST DO MORE.**

**WE'VE MOVED FROM WORRYING ABOUT OUR KIDS COMING HOME ON TIME, TO WORRYING ABOUT THEM MAKING IT HOME ALIVE.**

**WE'VE MOVED FROM WORRYING ABOUT THEIR GRADES, TO WORRYING ABOUT GUNS AT THEIR SCHOOL.**

**WHEN YOUR TWELVE YEAR OLD IS NOT SAFE RIDING HIS BIKE ON A NEIGHBORHOOD STREET...IT'S TIME TO CHANGE THE RULES.**

**THE PEOPLE SAY IT'S TIME -- AND WE KNOW IT'S TIME -- WE MUST PUT TEETH IN OUR JUVENILE JUSTICE SYSTEM AND INSTILL HOPE IN THE FUTURE OF YOUNG NEBRASKANS.**

**OUR COMMITMENT DOES NOT END WITH WORDS. IT'S A COMMITMENT OF STATE RESOURCES THAT ALLOWS US TO LEVERAGE FEDERAL DOLLARS.**

**THAT'S WHY I PUT ADEQUATE MONEY IN MY BUDGET TO COMBAT YOUTH VIOLENCE -- WE MUST STOP THE INSANITY.**

**I WANT TO PARTICULARLY THANK SENATOR JOHN LINDSAY, SENATOR DAVID BERNARD-STEVENS, AND ALL THE SENATORS WHOSE WORK, INPUT AND SUPPORT MADE THIS PACKAGE POSSIBLE. YOUR BI-PARTISAN SUPPORT IS ESSENTIAL.**

**WE MUST WORK HARDER TO FIGHT CRIME.**

IT'S NOT ENOUGH TO TALK TOUGH. THE CITIZENS OF NEBRASKA WANT THEIR ELECTED OFFICIALS TO WORK TOGETHER, TO CREATE A CRIMINAL JUSTICE SYSTEM THAT:

- \*\*PUNISHES CRIMINALS;
- \*\*PROTECTS CITIZENS; AND
- \*\*PROVIDES LAW ENFORCEMENT OFFICIALS WITH THE TOOLS THEY NEED TO DO THEIR JOB.

IN THE LAST THREE YEARS:

- \*\*WE HAVE ADDED 436 BEDS IN THE DEPARTMENT OF CORRECTIONS;
- \*\*DRUG ARRESTS HAVE MORE THAN DOUBLED;
- \*\*THE STATE PATROL HAS SEIZED ONE HUNDRED AND TWENTY TWO MILLION DOLLARS WORTH OF DRUGS FROM OUR STREETS;
- \*\*THEY SEIZED ONE-AND-A-HALF MILLION DOLLARS IN CASH FROM DRUG CRIMINALS -- MORE THAN TWENTY-SEVEN TIMES THE AMOUNT SEIZED FROM 1987 THROUGH 1990;
- \*\*OUR TOUGH STAND ON DRUNK DRIVERS EARNED US FEDERAL DOLLARS FOR IN-CAR VIDEO CAMERAS TO FURTHER ASSIST LAW ENFORCEMENT OFFICERS; AND
- \*\*WE ADDED TWO NEW JUDGES TO DOUGLAS COUNTY TO EXPEDITE THE PROSECUTION OF CRIMINALS.

BUT, WE MUST DO MORE.

CRIMINALS, DRUG DEALERS AND THOSE WHO ARE CORRUPTING THE YOUNG PEOPLE OF THIS STATE WILL BE APPREHENDED, PROSECUTED, AND SENT TO JAIL.

WE'RE SENDING A MESSAGE: IF YOU COMMIT A CRIME, YOU WILL DO TIME.

WE MUST GIVE OUR POLICE BETTER TOOLS:

- \*\*AN AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM;
- \*\*D.N.A. TESTING;
- \*\*A STATE PATROL STRIKE FORCE; AND
- \*\*GRANTS FOR LOCAL LAW ENFORCEMENT.

I PUT ENOUGH RESOURCES IN THE BUDGET TO FUND THESE INITIATIVES -- AND WE DON'T HAVE TO RAISE TAXES TO DO IT.

WE ALL AGREE THAT CHANGES ARE NEEDED. LET'S WORK HARD -- AND WORK TOGETHER -- TO PUT VIOLENT CRIMINALS WHERE THEY BELONG - - OFF THE STREETS AND BEHIND BARS.

MANY NEBRASKANS ARE FORTUNATE TO ENJOY THE PROSPERITY THAT CAN BE ACHIEVED IN OUR GREAT STATE.

FOR OTHERS, HOWEVER, CIRCUMSTANCES CAUSE THEM TO TURN TO PUBLIC ASSISTANCE AND SUPPORT.

BUT MANY OF THE CURRENT WELFARE PROGRAMS ARE MODELS OF CONFUSION AND INEFFICIENCY.

THE SYSTEM ITSELF HAS BECOME A TRAP -- AN ENDLESS CYCLE OF SHATTERED HOPES AND MISSED OPPORTUNITIES FOR A BETTER LIFE. WHAT STARTED AS A SAFETY NET HAS BECOME A SPIDER WEB.

TODAY, I AM PROPOSING A WELFARE SYSTEM THAT PROMOTES SELF-SUFFICIENCY AND INDEPENDENCE -- A SYSTEM THAT'S A HAND UP, NOT A HAND OUT.

WITH THE HELP OF THE WELFARE REFORM TASK FORCE AND ITS CHAIRMAN, BOB ARMSTRONG, WE HAVE CREATED A NEW AND SIMPLIFIED APPROACH TO WELFARE ASSISTANCE WITH TWO TRACKS:

**\*\*TEMPORARY ASSISTANCE AND TRANSITION TO SELF-SUFFICIENCY; AND**

**\*\*ONGOING ASSISTANCE AND SUPPORT.**

WELFARE IS NOT -- AND WAS NEVER INTENDED TO BE -- A WAY OF LIFE.

WE NEED OUR CITIZENS OUT IN THE WORK FORCE WITH SKILLS AND TALENTS THAT BENEFIT THEMSELVES AND ALL OF SOCIETY.

WE NEED THEM WORKING IN JOBS THAT GIVE THEM A LIVING WAGE TO SUPPORT THEMSELVES AND THEIR FAMILIES.

MOST OF ALL, THOSE WHO CAN WORK -- SHOULD WORK. WE NEED TO SIMPLIFY THE PROCEDURES FOR ESTABLISHING PATERNITY, ORDERS FOR CHILD AND MEDICAL SUPPORT, AND WE NEED TO INCREASE COLLECTIONS OF CHILD SUPPORT.

LET'S BREAK THE CYCLE OF POVERTY BY FIXING THE WELFARE SYSTEM.

EFFICIENCY IS A TOP PRIORITY -- IN GOVERNMENT, OUR WELFARE SYSTEM, IN LAW ENFORCEMENT -- AND IN OUR HEALTH CARE INDUSTRY AS WELL.

WHILE WE'RE WAITING FOR GRIDLOCK IN WASHINGTON TO SUBSIDE, I'M PROPOSING SEVERAL HEALTH CARE REFORM INITIATIVES THAT WILL INCREASE EFFICIENCY, IMPROVE THE QUALITY OF CARE, INCREASE ACCESS AND MAKE HEALTH CARE MORE AFFORDABLE FOR ALL NEBRASKANS.

I PROPOSE:

**\*\*THE USE OF A STANDARDIZED CLAIM FORM;**

**\*\*THE IMMUNIZATION OF ALL NEBRASKA CHILDREN THROUGH AGE FIVE;**

**\*\*INCENTIVES TO INCREASE THE SUPPLY AND RETENTION OF HEALTH PROFESSIONALS IN RURAL AREAS;**

**\*\*GROUP HEALTH INSURANCE REFORM FOR SMALL EMPLOYERS, TO ENHANCE THE PORTABILITY OF COVERAGE FROM ONE EMPLOYER TO THE NEXT;**

**\*\*THE REPEAL OF ANTI-GROUP STATUTES TO ALLOW NEBRASKANS -- SUCH AS FARMERS AND RANCHERS -- TO PURCHASE COVERAGE AT GROUP RATES;**

**\*\*BETTER HEALTH CARE DATA TO ENCOURAGE COST-CONSCIOUS BEHAVIOR AND IMPROVE THE QUALITY OF CARE; AND**

**\*\*STRENGTHENING OUR REPORTING AND DISCIPLINARY PROGRAM FOR DOCTORS AND OTHER HEALTH PROFESSIONALS.**

I URGE YOU TO SERIOUSLY CONSIDER THESE INITIATIVES. I WILL WORK CLOSELY WITH YOU THROUGHOUT THIS SESSION TO HELP MAKE THESE INITIATIVES REALITY.

I PLEDGE TO KEEP A VIGIL ON WASHINGTON'S EFFORTS TOWARD NATIONAL HEALTH CARE REFORM. WE MUST NOT HAVE

A "ONE-SIZE-FITS-ALL" PACKAGE THAT DOES NOT SERVE THE BEST INTEREST OF ALL NEBRASKANS.

HEALTH CARE AFFECTS US ALL. LETS WORK TOGETHER TO AFFECT CHANGE FOR THE BETTER -- FOR ALL NEBRASKANS.

THREE YEARS AGO, I MADE A PLEDGE WHEN I ASSUMED THE OFFICE OF GOVERNOR: TO BRING SPENDING UNDER CONTROL.

TOGETHER, WE HAVE WORKED DILIGENTLY TO PUT THE BRAKES ON STATE SPENDING, BUT THE FEDERAL GOVERNMENT'S ACCELERATOR IS CAUSING US TO DIVERT RESOURCES FROM WORTHWHILE PROGRAMS IN ORDER TO KEEP UP WITH MANDATES.

CONGRESS AND THE FEDERAL BUREAUCRACY CONTINUE TO IMPOSE A MULTITUDE OF MANDATES THAT MAKE LITTLE SENSE TO THOSE OF US OUTSIDE THE WASHINGTON BELTWAY.

IN TIMES OF TIGHT BUDGETS AND INCREASING DEMANDS FOR SERVICES, MANDATED PROGRAMS SIGNIFICANTLY HAMPER THE ABILITY OF STATE AND LOCAL GOVERNMENTS TO MEET THE EXPECTATIONS OF OUR CITIZENS.

I HAVE A SIMPLE MESSAGE FOR WASHINGTON: STOP THE MADNESS!

WE'RE DOING JUST THAT AT THE STATE LEVEL. LAST WEEK, I SIGNED AN EXECUTIVE ORDER REQUIRING STATE AGENCIES TO WORK CLOSELY WITH LOCAL GOVERNMENTS IN REDUCING AND STREAMLINING MANDATE REQUIREMENTS.

I HAVE CLEARLY INSTRUCTED AGENCY DIRECTORS NOT TO ISSUE RULES AND REGULATIONS THAT EXCEED THE AUTHORITY GRANTED BY STATE OR FEDERAL LAW. I URGE THE LEGISLATURE TO TAKE SIMILAR APPROPRIATE ACTION.

GOVERNMENT AT ALL LEVELS HAS A RESPONSIBILITY TO PROTECT AND SERVE THE PUBLIC INTEREST.

WE HAVE DEFERRED MORE THAN \$200 MILLION DOLLARS IN REPAIRS TO OUR STATE BUILDINGS AND INFRASTRUCTURE.

THIS SAVES MONEY IN THE SHORT TERM, BUT MANY OF THESE REPAIRS ARE NEEDED TO KEEP PUBLIC BUILDINGS SAFE AND ACCESSIBLE.

NOW WE ARE FACED WITH MOUNTING REQUIREMENTS FOR REPAIRS AND RENOVATIONS, ELECTRICAL UPGRADES, AND DESIGN MODIFICATIONS TO MEET THE STANDARDS OF THE AMERICANS WITH DISABILITIES ACT.

I PROPOSE TO ADDRESS THIS NEED -- IN PART -- BY ADDING \$2 MILLION DOLLARS IN NEW FUNDS TO THE 309 TASK FORCE BUDGET FOR FISCAL YEAR 1995/96.

THE MONEY I'M PROPOSING WILL COME FROM FUNDING EXCESSES IN CURRENT PROJECTS, AND CURRENTLY AVAILABLE CIGARETTE TAX FUNDS. NO CIGARETTE TAX INCREASE WILL BE REQUIRED.

I'VE MORE THAN DOUBLED THE DEPARTMENT OF ECONOMIC DEVELOPMENT'S JOB TRAINING FUND.

THIS WILL MAKE NEARLY ONE MILLION DOLLARS AVAILABLE TO HELP BUSINESSES PROVIDE SPECIALIZED TRAINING FOR NEBRASKA EMPLOYEES. A HIGHLY SKILLED LABOR FORCE WILL ATTRACT AND RETAIN BUSINESS ENTERPRISES.

WE CAN MAKE THESE INVESTMENTS BECAUSE OF TWO LARGE REDUCTIONS TO THE STATE BUDGET RESULTING FROM SAVINGS TO THE STATE'S HEALTH INSURANCE PROGRAM.

IN THE CURRENT FISCAL YEAR, WE ARE REDUCING THE GENERAL FUND APPROPRIATION FOR ALL STATE AGENCIES AS A RESULT OF A CHANGE IN HEALTH INSURANCE PAYMENT DATES.

FOR YEARS, THE STATE HAS PAID THE HEALTH INSURANCE PREMIUMS OF STATE EMPLOYEES FOR AN EXTRA MONTH AFTER THEY LEFT STATE EMPLOYMENT.

THE PAYMENT PROCEDURE WAS CHANGED LAST JULY, RESULTING IN A GENERAL FUND SAVINGS OF TWO MILLION DOLLARS.

IN ADDITION, THE TRUST FUND THAT COLLECTS STATE CONTRIBUTIONS HAS A SUFFICIENT BALANCE ALLOWING ME TO RECOMMEND NO INCREASES TO THE HEALTH INSURANCE PROGRAM FOR THE NEXT FISCAL YEAR.

THIS MEANS NEARLY A THREE MILLION DOLLAR SAVINGS FOR THE NEXT FISCAL YEAR.

STATE EMPLOYEES WILL NOT HAVE AN INCREASE IN THEIR HEALTH INSURANCE PREMIUMS NEXT YEAR.

THIS COMES AT A TIME WHEN STATE EMPLOYEES HAVE SACRIFICED SALARY INCREASES DUE TO BUDGET CUTBACKS.

I WANT TO THANK OUR STATE EMPLOYEES FOR HELPING US THROUGH TIGHT BUDGET TIMES.

AMONG OTHER INITIATIVES, I SUPPORT REPEAL OF THE FERTILIZER FEE.

REMOVING THIS FEE WILL REDUCE THE PRODUCTION COSTS FOR FARMERS AND RANCHERS.

ALSO, THE STATE'S HOMESTEAD EXEMPTION PROGRAM SHOULD BE ADJUSTED. WE MUST REDUCE THE "CLIFF EFFECT" FOR THOSE NEBRASKANS WHO ARE TRULY IN NEED OF THIS PROPERTY TAX RELIEF. AND WE MUST INCREASE THE MINIMUM INCOME GUIDELINES.

THIS YEAR'S BUDGET WILL BE LEAN. IT TAKES A FISCALLY RESPONSIBLE APPROACH FOR THE INITIATIVES I'M PROPOSING -- AND THEY WON'T REQUIRE ANY TYPE OF TAX INCREASE OR NEW TAX.

NEBRASKANS ARE PROUD AND PERSISTENT PEOPLE. OUR HOPE FOR THE FUTURE RESTS IN OUR ABILITY TO WEATHER THE STORMS AND MOVE AHEAD. IN 1993, WE WEATHERED MANY STORMS.

I WANT TO COMMEND EVERYONE WHO HELPED OUR FELLOW NEBRASKANS AND OUR MID-WESTERN NEIGHBORS DURING LAST YEAR'S DISASTERS. THERE ARE COUNTLESS STORIES OF INDIVIDUAL BRAVERY AND SACRIFICE ALL THROUGH THIS STATE.

YOUR ACTIONS ARE STERLING EXAMPLES OF COURAGE IN THE FACE OF ADVERSITY. IT SHOWS OUR CAPABILITY TO COME TOGETHER AS ONE NEBRASKA.

THERE IS ONE INDIVIDUAL WHOSE LEADERSHIP AND EXPERTISE WAS INVALUABLE DURING THE FLOODS AND STORMS. I'D LIKE TO THANK ADJUTANT GENERAL STAN HENG FOR HIS SERVICE TO THE PEOPLE OF NEBRASKA.

AS I TOURED SOME OF THE DISASTER AREAS WITH THE GENERAL LAST YEAR, I HEARD MANY OF THE VICTIMS TALK ABOUT THE FUTURE. THAT'S A DIFFICULT THING TO DO WHEN YOU SEE YOUR CROPS AND PROPERTY DESTROYED.

BUT IN MY CONVERSATIONS WITH THE PEOPLE, THERE WAS IN THEIR VOICES, WORDS OF HOPE, COURAGE, AND A POSITIVE VISION FOR THE TIMES AHEAD.

WE, AS PUBLIC SERVANTS, MUST DRAW UPON THE COURAGE, HOPE AND VISION OF THE NEBRASKANS WE SERVE.

THIS IS NOT THE FIRST, NOR WILL IT BE THE LAST SESSION WHERE DIFFICULT ISSUES WILL BE DEBATED, AND WHERE TOUGH DECISIONS WILL HAVE TO BE MADE.

WE MUST HAVE THE VISION, THE COURAGE, AND DETERMINATION TO BE PIONEERS INTO THE 21<sup>st</sup> CENTURY. LET US BLAZE A NEW TRAIL. LET US EMBARK WITH CONFIDENCE.

THANK YOU.

The committee escorted Governor Nelson from the Chamber.

### REFERENCE COMMITTEE REPORT

The Legislative Council Executive Board submits the attached report on the referral of legislative bills 913 through 947 and legislative resolutions 282, 284, and 285CA.

<b>LB</b>	<b>Committee</b>
913	Business and Labor
914	Education
915	Natural Resources
916	Natural Resources
917	Revenue
918	Transportation
919	Transportation
920	Judiciary
921	Judiciary
922	Government, Military and Veterans Affairs
923	Education
924	Revenue
925	Government, Military and Veterans Affairs
926	Transportation
927	Judiciary
928	Judiciary
929	Transportation
930	Education
931	Revenue
932	General Affairs