

Robak says budget, road funding, taxes will have a lot of attention in Legislature

by Yulia Holko

Former lieutenant governor and now a lobbyist with Mueller, Ruth and Robak, Kim Robak spoke to the Lincoln Independent Business Association Jan. 15 about bills currently introduced in the Legislature, as well as issues related to the state budget.

In the first session of the 100th Legislature, 705 bills were introduced and only 216 bills became law, although some of them combined multiple issues, Robak said. The prediction is that 400 to 700 bills will be introduced in the second session, which convened Jan. 9.

One of the main legislative issues that will be controversial involves roads and road funding, Robak said.

"We have a tax in Nebraska on gasoline and it's based on per gallon amount," she said. "As cars become more efficient and as gas becomes more expensive, we use less gas, and as a result, fewer dollars are available to pay for our roads.

"We are trying to figure out a way this session to fix that, and Sen. Deb Fischer has introduced a bill that would enact a tax on the wholesaler as a percentage of the dollar amount as opposed to a per gallon tax."

Robak said whether or not the bill goes through is yet to be seen, but other methods to solve the problem have been introduced, trying to either raise the gas tax or find a way to take some money from the general fund to pay for roads in the short term.

Water is an issue, she said, particularly in the Republican Basin but also in the Platte River, the Niobrara and other basins across the state.

The State Fair and research park the university wants to build on its grounds are getting a lot of attention, Robak said.

"If you haven't read about it, you've lived under a rock," she said.

Last session a study was done to determine what an ideal Fair would look like, and now the Legislature will address the issue of whether the bills that were introduced so far would change the requirement for the State Fair to be in Lincoln, Robak said.



Kim Robak, former lieutenant governor and now a lobbyist with Mueller, Ruth and Robak of Lincoln.

"I am anticipating that there will be other legislation introduced," she said, "so this issue will continue and it's one that has a lot of emotion attached to it."

She said term limits are a problem, as experience levels are low in the Legislature, causing situations where the same bill can be repealed and introduced again during the same year.

"I think you are going to see more of that when you lose the institutional knowledge," Robak said.

Elimination of the death penalty has been a lifelong goal for Sen. Ernie Chambers, she said. Discussion was held on the bill last year and it did not get the 25 votes needed to move it to the second stage of debate.

Gov. Heineman gave his State of the State Address earlier that day and mentioned that

taxes are one of his top priorities, Robak said. He is introducing a budget that would give additional property tax relief this year, in addition to property tax relief that was passed last year.

"The amount of bills on taxation will be big this session," Robak said.

"Gov. Heineman also introduced a new tier to LB312, which is for economic development legislation, and that new tier would allow for high paying jobs and high investment."

She said the Super Tier for LB312 means that if you make an investment of \$75 million and add 75 new jobs, you can get a large incentive in property taxes in addition to an income tax rebate.

"You are going to see the budget being a No. 1 factor at the Legislature in addition to water, State Fair, roads and other issues," Robak said.

"Next year, 2008-2009, will be the first time that state aid to local governments exceeds all other agency operations in terms of the expenditure. For Medicaid, you are almost talking double digit increases every two years."

Robak gave credit to Gov. Heineman for keeping those numbers low for the next two years.

Growing state aid to education is going to be a major factor, as K-12 spending is growing, she said.

"In 2008-2009 there's a \$92 million increase in aid," she said. "Based on current trends, the legislative fiscal office has projected for the next biennium a \$52 million increase in the first year and another \$100 million increase in the second year, for an average increase over those three years of 11.2 percent.

"I know it's going to raise a number of bills."

The reasons for such spending in education include, first of all, a number of programs that require funding, such as special education and others, Robak said.

In addition to that, there is a need to pay teachers more.

"Forty percent of our teachers will retire in the next five years because they are becoming of the age of retirement, and young teachers coming in have huge debt from their college years, and the fear is that we are not paying them enough," she said. "The cost of education is going up and we have to figure out a way to pay for it." ■