



Finley done

Sophomore safety Clint Finley will attempt to fill the shoes of departed senior Eric Warfield for the Cornhuskers next fall. PAGE 7



Strapped

A California artist is hoping to make a tapestry for a good cause, and all he needs to do it is a few thousand brassieres. PAGE 9

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Gust Do It

Heavy winds, high 47. Cloudy tonight, low 40.

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Legislature

'Brain gain' legislation defeated

Despite the introduction of a popular amendment, senators voted against the bill 19-16.

By JOY LUDWIG Staff Reporter

An attempt to keep Nebraska's best and brightest students in the state met its final opposition Tuesday in the Nebraska Legislature.

Senators voted down LB1176, known as the "brain gain" bill, 19-16 on select file, even after Sen. Jon Bruning of Omaha introduced an amendment many senators supported.

Bruning's amendment made certain sections clearer by stating the bill would give loans first to students with financial need and then to students who excelled in high school but did not have financial need.

Also under Bruning's amendment, students who left the state would have to pay back loans annually rather than in a lump sum.

Despite concerns, the bill, introduced on behalf of the governor, had advanced to the second round of debate March 31 with a 27-6 vote.

Nelson said he had hoped senators would see the importance of the bill and pass it. He estimated passing the bill would keep several hundred graduates in the state each year.

"I'm disappointed because they missed an opportunity to tell young people, 'We're willing to create incentives to keep you here,'" he said.

The bill would have provided \$2.2 million, rather than the originally proposed \$5.2 million, to create a loan program for fiscal years 1998-99 and 1999-2000.

Students who accepted the loan would have attended accredited Nebraska universities or colleges. Upon graduation, students would work three years at a job in the state and the loan would be forgiven. If students moved out of state, the loan would be repaid in increments with interest charged.

Nelson also said he hoped the senators' decision wasn't a signal that a majority of the Legislature was not able to respond to new and innovative approaches to education.

Sen. Ernie Chambers of Omaha said he opposed the bill because it was unfair of the governor to ask Bruning - the youngest member of the Legislature - to introduce such a controversial bill. He said many senators would not have touched the bill with a "10-foot pole."

"If this bill advances ... I'm just going to leave that hanging," he said. "But it will not be the end of the various initiatives that come from the governor's office."

Sen. Owen Elmer of Indianola also opposed the bill. He said he believed the Legislature couldn't determine where people should live and work, which is what the bill would have required.

"I don't think this would be a good thing to do because we would be wasting time and money," he said.

But Bruning stressed the importance of the bill. "This is exactly what the state needs," Bruning said. "This is what the businesses want. This is exactly what high-incentive students need to stay in the state."

Clinton: Social Security is safe

By BRIAN CARLSON Senior Reporter

KANSAS CITY, Mo. - For too long, President Clinton said Tuesday, politicians have considered Social Security the electrically charged third rail of American politics - to touch it means political suicide.

But as he kicked off the first in a yearlong series of town hall meetings on Social Security, Clinton told his Kansas City audience that, with the country in the midst of a strong economy but under the shadow of booming costs for the program in the next century, the time for bipartisan action to fix Social Security is now.

"This sunlit moment is not a time to rest," he said to the 700 people who attended The Great Social Security Debate. "Instead it is a rare opportunity to prepare our nation for the challenges and opportunities of the 21st century, or in the words of the old saying, 'Fix the roof while the sun is shining.'"

"If we act now, we can ensure strong retirement benefits to the baby-boom generation without placing an undue burden on our children and grandchildren," he said. "And we can do it, if we act now, with changes that will be far simpler and far easier than if we wait until the problem is closer at hand."

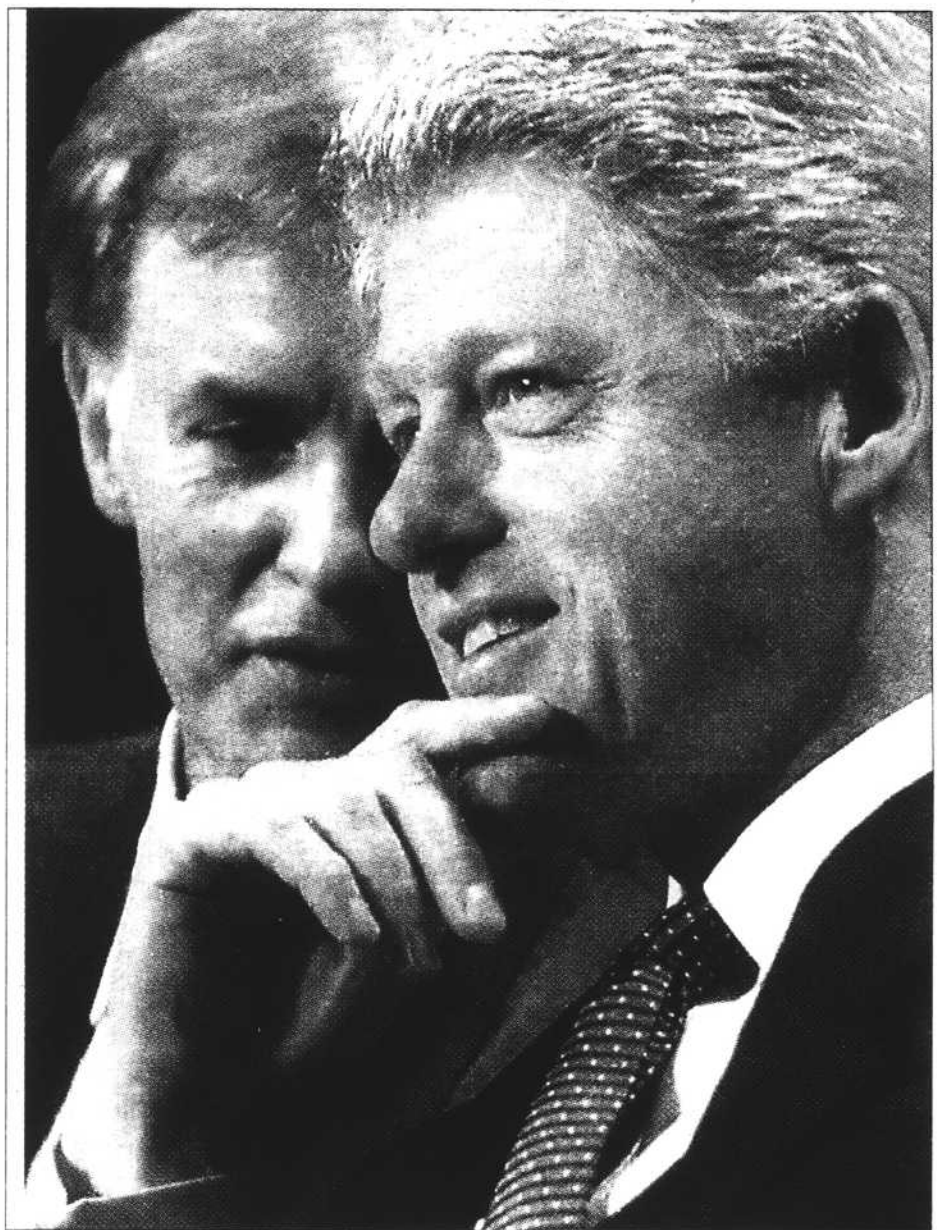
Clinton hailed Social Security as one of the greatest successes in U.S. history. The program, instituted under President Franklin D. Roosevelt's New Deal administration, has helped lower the poverty rate for the elderly from 35 percent in 1959 to less than 11 percent in 1996.

Currently, 44 million Americans receive Social Security. Two-thirds are retirees; disability and survivor's insurance also are provided.

But as the United States prepares for the retirement of 77 million citizens between 2010 and 2030, the future of Social Security funding poses serious questions.

Social Security is funded by a 12.4 percent payroll tax that is shared equally by employee and employer. Until 1983, the program was funded on a pay-as-you-go basis, with payroll tax receipts roughly equal to disbursements.

In 1983, in an effort to pre-fund the retirements of the baby-boom generation, the government began to take more in payroll taxes than it paid in benefits. The surplus was put in a trust fund from which the government bor-



JAY CALDERON/DN

PRESIDENT CLINTON listens to Democratic Sen. Bob Kerrey during The Great Social Security Debate in Kansas City, Mo., Tuesday. The two former governors spoke together immediately following Kerrey's presentation.

rows to fund federal spending.

But the surplus is shrinking. By 2012, government projections indicate, it will be gone. By 2029, Social Security will be unable to pay its debts. In 1990 there were 3.4 workers for every retiree, but by 2030 there will be

two workers per retiree.

Clinton said he had heard of one poll indicating Americans in their 20s believe they are

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Smith warns of money crunch

By LINDSAY YOUNG Assignment Reporter

The amount of state money available for the University of Nebraska is shrinking, and the university needs to try to combat the potential effects, NU President Dennis Smith said Tuesday.

In Smith's remarks to the Academic Senate at the University of Nebraska-Lincoln, he pointed out the budget crunch NU will face over the next few years.

The problems can be dissolved by finding ways to both save money and generate new revenue, Academic Senate President James Ford said.

Academic Senate

Smith told the senate that in order to work through the expected financial problems, the administration would need the faculty's input and problem-solving skills.

The senate met in the Prairie Suite in the Nebraska East Union Tuesday.

Smith predicted that by 2015, 14.7 percent of the state's general fund would go to NU. In comparison, the NU system will receive 16.3 percent of the state's budget in 1998-99.

State funding for the university has steadily decreased since at least 1984, when NU received 21.2 percent.

"I don't see an environment in which there

are going to be a lot of people scrambling to give us money," Smith said.

Though they are just predictions, he said, efforts still must be made. Smith said the university cannot hold its breath and hope the problems disappear.

"Those of us who hold our breath that long will die of asphyxiation," he said.

Though there has been an increase in state funding to education in the past 15 years, much of it has gone to kindergarten-through-12th-grade education, Smith said.

Salaries for faculty and staff members supported by state funding will increase 3 percent every year. This leaves the university with a

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