

Democrats push education, values

James McFarland

James McFarland says if he were elected governor, he would seek to change the state's philosophy for promoting education and economic development.

Tax incentives have mostly failed to lure large corporations to Nebraska, he said. These corporations have shied away from Nebraska not because of tax policies, he said, but because the state lacks the highly skilled, technologically adept workforce needed in today's economy.

Thus, the Democratic gubernatorial hopeful said, the state should focus on retaining its brightest students and developing a workforce with strong technology skills.

"We're having a mass loss of one of our most valuable resources — our college graduates," he said. "Half our graduates leave the state. That's a great loss of talent."

McFarland, a Lincoln state senator from 1986 to 1991, said he supports scholarships and forgivable loan programs like those promoted by Gov. Ben Nelson in recent years.

McFarland said he favored an "R and R" approach to tax and spending issues: reform of the tax system and restraint in spending.

"Taxes are too high, and property taxes are the worst," he said. "State spending is increasing at an alarming rate."

He supports the tax cuts passed by this year's Legislature. He said he favors a homestead exemption on the first \$50,000 of property owned by senior citizens.

He said he was opposed to a petition drive that would place a constitutional limit on state spending, calling it an "overreaction" by the business community.

There are other ways to limit state spending, he said, including statutory limits. A constitutional limit would be too inflexible in a crisis situation, he said.

McFarland opposes the construction of a new prison expected to cost the state more than \$70 million. He favors diverting nonviolent offenders into community corrections programs.

"We need to punish criminals, not taxpayers," he said.

He said schools must seek greater efficiency in the face of lower property tax levies. It is a mistake, he said, to always equate education with dollars provided.

McFarland, who played football for the Nebraska Cornhuskers in 1968 and 1969, also said with a laugh

that he supported lowering student football ticket prices and again seating students at mid-field.

Bill Hoppner

Bill Hoppner has billed himself as the candidate for governor who represents all Nebraskans, not just the business interests of Omaha and Lincoln.

Hoppner, a Democrat, has opposed a petition drive seeking to impose a constitutional cap on the growth of state spending.

If the cap is passed, Hoppner said, the Legislature will be unable to provide state funding when it is needed to ensure that education in Nebraska remains strong.

"All of us favor reducing the growth of state spending," he said. "But what I'm hearing on the campaign trail is that Nebraskans want tax relief, but not in a way that will risk our ability to provide quality education."

Although Hoppner opposes state spending lids because of their possible effect on education, he supports local levy lids as a means of property tax relief.

Hoppner has expressed opposition to the activities of the Business Leaders Summit, a group of state business leaders involved in the petition drive. The group has also sought further tax cuts and incentives for business growth in Nebraska.

Hoppner emphasizes that all Nebraskans will have a place at the table in a Hoppner administration, and has said his campaign is about "the values we all share as Nebraskans."

Those values, he said, were ingrained in him during his childhood in Pender, a small town in northeast Nebraska, and through his business experience with a trucking company.

Hoppner has been through a gubernatorial campaign before. In 1990, he lost an agonizingly close primary race to Ben Nelson, who was eventually elected. When the results of several recounts emerged, Hoppner had lost by just 42 votes.

Hoppner was an aide during the gubernatorial and U.S. Senate terms of James Exon and Bob Kerrey. "Those experiences have prepared me to be a very good governor," he said, "at a time when Nebraska is going to be making some fundamental decisions about the future they want to build."

Compiled by Senior Reporter Brian Carlson

GOP race focuses on taxes

John Breslow

State Auditor John Breslow says government spending and taxing are out of control, and he wants to use the governor's office to reverse this trend. "Government is overbloaded, it spends too much money and it overregulates," he said.

Breslow, a Republican gubernatorial candidate, has served as state auditor since 1991. On the campaign trail, he frequently mentions the more than 5,000 successful audits he has conducted spotlighting cases of waste and fraud in state government.

Breslow says he will continue these efforts as governor. By continuing to weed out government waste and search for greater efficiency, he says, state government can provide citizens with a significant tax break.

His plan calls for a 5 percent reduction in state spending each year and a 25 percent property tax cut.

The plan, of course, must be approved by the Legislature, which has balked at some of Gov. Ben Nelson's property tax cut proposals.

But Breslow insists he can get the job done.

"The most important thing we need is bold leadership," he said. "(The 25 percent tax cut) will be a mandate."

"Members of the Legislature will know that if they don't support it, they won't be in the Legislature," he said.

Breslow also said quality education in Nebraska would be safe under his tax and spending reductions.

He said education funding would be a priority, and he said his plan would provide \$128 million to schools.

Spending cuts would be achieved by forcing state entities to operate more efficiently, he said.

Breslow also said he supports tougher crime measures. He would increase the size of the State Patrol and seek to make prison sentences more difficult for inmates.

Breslow, the millionaire owner of Linwood Inc., said his experience as a businessman sets him apart from gubernatorial contenders who are "career politicians."

Jon Christensen

U.S. Rep. Jon Christensen says his battle for tax relief amid the "lion's den" of Washington has prepared him well to be the state's next governor.

The Republican gubernatorial hopeful, who represents the 2nd District in the U.S. House of Representatives, said state taxing and spending are too high. Families should be allowed to keep more of what they make, he said.

"I've always said I'm going to fight for the family budget more than for the federal budget," he said, a philosophy he said he would apply to the state's budget as governor.

Christensen supports a petition drive now circulating that would limit the growth of state spending to just more than 2 percent annually.

He said as governor he would seek to double the 5 percent income tax reduction made permanent by the Legislature this year. He also supports making permanent a 10 percent sales tax reduction which the 1998 Legislature passed for a period of one year.

Once spending caps are implemented, Christensen said, government must take a close look at its spending and find ways to be more efficient.

"I'm going to ask everybody to do a little bit more with a little bit less," he said.

Nevertheless, Christensen said, the goals of less taxing and spending are not incompatible with a sustained commitment to quality education in Nebraska.

The "beauty of my plan," he said, is that individual school districts still will be able to hold local elections to override state-imposed levy lids which in 2001 will drop from \$1.10 per \$100 valuation to \$1.

Christensen also said he would seek to ensure that at least 90 percent of state educational funding covers the direct costs of educating students.

"We've got to do a better job of getting dollars into the classroom and out of the bureaucracy," he said.

Christensen is now serving his second term in Congress.

Mike Johanns

Lincoln Mayor Mike Johanns says that while other candidates' plans for tax and spending cuts are

mere theory, his conservative fiscal policies have been put into practice.

Johanns, a Republican gubernatorial hopeful, said he has reduced property tax rates in Lincoln each of the last four years and improved government efficiency under a local spending lid.

In a GOP field consisting of three candidates calling for reduced spending and taxes, Johanns said, this experience is what sets him apart.

"The difference is I've done it," he said. "It's not about what I want to do; it's about what I've done."

Johanns supports a proposed constitutional amendment to limit the growth of state spending, saying state government should be subjected to lids just as local governments are.

"Spending lids in government are not a bad thing," he said. "It forces government to choose its priorities."

For instance, Johanns said, he found a way to add 56 police officers to the Lincoln Police Department despite being under a lid.

And Johanns said educational quality can be preserved as state spending and taxes are reduced, although he admitted it will pose a challenge to lawmakers.

"It can be done," he said. "I've done it."

Johanns also said strengthening the state's workforce and encouraging retention of the state's top students will be of critical importance to the state's economic future.

He supports scholarship and loan programs to encourage bright students to attend college and work in Nebraska, and said the state should recruit outstanding students "with the same aggressive attitude that we recruit a top football player."

Johanns supports the enactment of a permanent income tax cut and further cuts once spending has been reduced. He favors the elimination of unfunded state mandates on local governments as a means of reducing property taxes.

Johanns served as Lancaster County Commissioner from 1982 to 1986. He was a member of the Lincoln City Council from 1989 to 1991 and has served as mayor since his election in 1991.

Compiled by Senior Reporter Brian Carlson

Governor's race most expensive yet

■ Republican candidates lead Democrats in fund-raising and campaign expenditures.

By TODD ANDERSON
Assignment Reporter

When the second round of campaign finance reports are submitted Monday, John Breslow still could top the list of campaign spenders in the 1998 governor's election.

This year's gubernatorial campaign has been the most expensive in Nebraska history,

and past reports show that the Republican candidates lead the Democrats in fund-raising and campaign expenditures.

According to reports submitted to the Department of Accountability and Disclosure, the Breslow campaign raised more than \$195,000 between Jan. 1 and April 7.

Of almost 160 private cash donations for more than \$100, the largest was for \$25,000.

He also contributed \$375,400 to his own campaign during that period and borrowed \$625,000.

Lincoln Mayor Mike Johanns raised more than \$235,000 in campaign contributions and contributed \$125,000 to his own campaign, including a \$100,000 loan.

The Nebraska State Education Association donated \$15,000 to the Johanns for Governor campaign, topping the list of public donors.

Rep. Jon Christensen received more than \$60,000 from the Amway Corporation, his former employer. It was followed by First Bank of Nebraska, which gave nearly \$20,000, and Ready Mix Concrete of Omaha, which donated \$15,000.

Christensen also reported his campaign received nearly \$530,000 from private donations.

Democratic candidate Jim McFarland received the least amount of campaign money, with just under \$18,000 in campaign donations.

The Bill Hoppner for Governor campaign raised more than \$125,000 in cash donations, including a \$15,000 donation from the NSEA and \$15,000 from the Nebraska State Transportation Political Education League.

Candidates are required by law to submit reports to the state government detailing all campaign contributions and spending.

An annual report was submitted by all candidates for 1997 as well as the latest spreadsheet covering Jan. 1 through April 7.