



7521 Main Street, Suite 103  
Omaha, Nebraska 68127

(402) 597-3100 P  
(402) 597-2705 F

[www.voicesforchildren.com](http://www.voicesforchildren.com)

#### BOARD OF DIRECTORS

Lloyd Meyer, MArch  
*President*

Tim Hron, MA, LIMHP  
*Vice President*

Donna Hammack, MSEd  
*Secretary*

Steve Mitchell, MBA  
*Treasurer*

Eric Nelson, MA  
*Immediate Past President*

Michael Beverly Jr., MBA  
Amy Boesen  
Lorraine Chang, JD  
Yolanda Chavez Nuncio, MEd  
Jeremy Fitzpatrick, JD  
Bobbi Hawk, MD  
Eric Johnson  
Daniel Padilla  
Michael Socha  
Katie Weitz, PhD

Aubrey Mancuso, MSW  
*Executive Director*

February 8, 2017

To: Senator Smith and Members of the Revenue Committee

From: Kaitlin Reece, Policy Coordinator for Economic Stability and Health

**RE: Opposition for LB 337**

As Nebraskans, we recognize the benefit of paying it forward, allowing future generations to meet the needs of their time. Our ancestors tamed the prairie, broke the sod, built roads, bridges, and buildings like this beautiful state capitol we sit in today, so that future generations might reap the seeds sown by previous generations. It makes sense, then, for our state's budget and tax system to operate on a future oriented, pay-it-forward model where our tax dollars not only go toward immediate needs and services, but also a plan for future needs and growth. Tax dollars collected now not only meet the immediate needs of Nebraskans but also establish the foundation of what our state will look like tomorrow.

Our Legislature recognizes the inherent value of this pay it forward approach by maintaining a healthy cash reserve or "rainy day" fund to help the state plan for the unexpected. Nebraska's new Infrastructure Bank collects and stores increased gas tax revenues and pays them forward in future years to repair and replace hundreds of miles of Nebraska roads.

Income tax cuts, particularly during a time when our budget needs exceed our revenues, disrupts this pay-it-forward model, leaving Nebraskans in the future less able to respond to community needs. In addition, income tax cuts that are triggered automatically are the opposite of thoughtful planning for the future. Combined with cuts to services for vulnerable children like child welfare and juvenile justice services in the Governor's current budget proposal, this bill would ensure that these cuts are permanent and that we don't have resources to meet unanticipated needs in the future. Taken together, these proposals represent a pay-it-later approach where the costs, and consequences, of our decisions are much greater.

Our community, but particularly our children in the child welfare system, will pay later when caseloads standards aren't met in a way that supports child safety and we have no funding to hire additional workers. Our state will pay later when juvenile offenders are unable to access community based services and recidivate at higher rates, causing human suffering, property damage, and increased expenses to taxpayers in the form of higher incarceration costs. Our most vulnerable families facing domestic violence will pay later when community programs to keep them safe are eliminated, separating families and further increasing the number of children in expensive, out-of-home care within our foster care system.

As Nebraskans, we know that decisions we make today can set us up for future success or failure. LB 337 imagines a future where we cannot meet the basic needs

of our most vulnerable citizens, much less plan for our state's future, which is why Voices for Children in Nebraska respectfully urges the committee to indefinitely postpone LB 337.