

May 15, 1975

This morning we passed LB 368 but we did not pass the funding bill, the A bill. Let us assume it will be reconsidered and there will be money for the A bill. Let us then look at it from the Governor's viewpoint and maybe he will veto it. But in our figures here today, we must consider those as money to be spent. Now if this body does not override the Governor's veto, if there is one, then there is 15 million dollars that we are considering here now that will not be spent. Let us talk about the Budget bills. If the budget bills are line-itemed vetoed and this body fails to override the vetoes, then there will be more money than necessary. If they are overridden, then there will either be enough money or not enough money. Here is an amendment which would resolve this type of a predicament. We have lived with the Board of Equalization setting these rates. They were never very far off. There is always a cry about too much money in the state General Fund, and maybe it so happens there is in October, but it is a matter of cash flow. A cash flow is the important ingredient of state General Fund and state General Fund obligations and they must be recognized. So instead of having the Board of Equalization meeting only in November, this amendment would say that the Board of Equalization with those facts then at hand after the full operation, the full detail, the full knowledge of the monies that have been spend that are necessary or unnecessary to run this government, whatever the case might be, depending upon how each individual may look at it, with all the figures at hand, then a determination can be made. You see here this afternoon we have devoted about all the time, about two hours and 20 minutes, on this issue and we are not at a conclusion at this time yet. A simple solution to this problem at hand is after the fact, after the figures are in, then a body which have for years and years determined valuations, it is in the Constitution, of our real estate property, even our personal property. It is then a mechanical operation. We are operating here with thoughts in our mind of the bill that we want, of the program that we want, but after the collective judgment of this body, the Governor, and then back to this body, this is the solution for our tax rates and there is nothing in this, and let me tell you once and final, already in the law, it says the Board of Equalization can change the sales tax rates to commence on a first of a month basis. It does set it for this calendar year, so there is no problem of making it retroactive. They would set it for the entire calendar year and it automatically would be then, unless, it would be retroactive. Now this is, I think, the only solution at hand for LB 589, and I move for the adoption of the amendment.

PRESIDENT: Senator Duis.

SENATOR DUIS: Mr. President, I sincerely hope everyone listened to Senator Burbach and his amendment because it is a long ways around to get to a point and the discussion has brought this amendment about and I think that it deserves very, very serious consideration because it puts us in a position where we won't have those large cash balances should there be vetoes or programs that don't materialize that were voted in the Legislature and it also will give a better handle on the setting of the tax rate for the state of