

March 28, 1984

LB 962

Mr. Auer has distributed to you in his letter clearly points out the reduction in revenue that the department receives, and also the need for the updating of the aircraft for the state. It appears that it is not necessarily an extreme emergency, but one that certainly needs to be addressed and taken care of if we expect to continue the good operation of our air travel in Nebraska, and the update and upkeep of our airports. There has been a considerable amount of press on this relative to the state plane. I assure you that that is only one part of the reasoning for the amendment. I would hope that you would analyze that which we have distributed to you this morning, as well as the letter that Mr. Auer has sent to you prior to this morning. With that explanation, Mr. President, I would move for the adoption of the amendment.

PRESIDENT: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature. I rise to oppose the amendment. I don't feel the body realizes what you are doing here. Senator Carsten touched on a bit of it when he apologized that we didn't have a public hearing, which I think we should have on an issue like this. They say to help the three state airports. Can anybody in this body tell me where the three state airports are and what they are used for? Also, let's look and see what is happening to the airlines in Nebraska. What are they doing for us now. They have 440 employees. Their annual payroll is \$9,440,000. They purchased 23 million gallons of fuel. They pay \$1,600,000 in rental, \$1,300,000 in landing fees, \$570,000 in property taxes, and \$590,000 in jet fuel tax. They are already paying their fair share of taxes in the State of Nebraska. In addition to this they pay \$3 million landing fees, space rentals and other charges at the airports they serve. The airlines in Nebraska, especially out in western Nebraska, are having a hard time. They are cutting back on the number of routes, they are cutting back on the size of airplanes; 25 percent of their cost is in fuel taxes. So I don't think that we should jump in here and raise their tax without hearing the full other side. It's going to be easy to say well who are the airlines, let's go ahead and raise their tax, it doesn't

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