

April 16, 1986

LB 539, 603, 1016, 1230, 1230A, 1258, 1258A  
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now I guess to the point, we're back to the override motions as filed with the Clerk. Let the Chair announce first that while the Legislature is in session and capable of transacting business, I propose to sign and do sign LBs 1016, LB 1230, LB 1230A, LB 1258, LB 1258A, LB 1259 and LB 603. (See page 2450 of the Legislative Journal.) Mr. Clerk.

CLERK: Mr. President, pursuant to directions from the Speaker, the first motion I will have is with regards to LB 539. That motion has been signed by Senators Hartnett, McFarland, Lundy, Lynch, Marsh, Miller, Eret, Goll, Chronister, Smith, Hoagland, Baack, Scofield, Hannibal, Lowell Johnson, Goodrich, Nichol, Sieck, Carsten, Remmers, Landis, Barrett, Warner, and Wesely. The motion would be that LB 539 become law notwithstanding the objections of the Governor.

PRESIDENT: Senator Warner. I am going to remove all lights from the board now and start all over again.

SENATOR WARNER: Mr. President and members of the Legislature, as I listened to the Clerk reading the Governor's message, I may have not caught all the points that he expressed concern on. One of the points I believe was the concern that commencing the sales tax January 1 of 1987 would result in additional funds accumulated the following fiscal year which would also encourage spending. The amount of revenue that is raised, you will recall during the first five months of collections starting January 1, it's for a six months period but as far as actual collections to the state it's five months, would be about \$21 million. The following year with a full 12 months of collections would probably be about \$45 million. So in terms of generating additional revenue, that would be \$24 million. LB 870 which you enacted earlier this morning had as one of its provisions the restoration of a \$13.5 million dollars that was transferred from the Cash Flow Reserve Fund to take place between July 15th and July 30th of 1987. So you can subtract that 13.5 million from those additional \$24 million. That essentially leaves you about 10 or \$10.5 million of revenue that could be conceived to be in addition to what would be needed next year for a continuation budget. Offsetting that 10 million, if you accept what the Governor has spoken about last week where he was expressing the concern that there could be as much as 10 or \$12 million less revenue even though the projections have not been changed, but I share his same concern that there could be reduced revenue from the current projections before we reach June 30th of 1987. If his \$12 million figure is right, then there is zero amount of