

CLERK: (Read LB 599 on Final Reading.)

SPEAKER BARRETT: All provisions of law relative to procedure having been complied with, the question is, shall the bill pass? Those in favor vote aye, oppose^d nay. Have you all voted? Record.

CLERK: (Read record vote. See pages 2314-15 of the Legislative Journal.) 38 ayes, 0 nays, 1 present and not voting, 10 excused and not voting, Mr. President.

SPEAKER BARRETT: LB 599 passes. Next bill.

CLERK: Mr. President, I have a motion on the desk. Senator Schmit would move to return 772 to Select File for specific amendment. (Schmit amendment is on page 2315 of the Journal.)

SENATOR SCHMIT: Mr. President, members, I want to make a point or two here and a matter of record relative to LB 772. The point I want to make is this, the bill, in my opinion, is considerably different than any of the other economic development bills that we're dealing with. This bill, in my opinion, is simply a corporate tax cut and that may be good or it may be bad, I'm not judging that. Maybe the corporations shouldn't pay any taxes. My concern for the bill is not the merit of the bill but the fact that, in my opinion, there is a hidden cost here which is greater than that which we have perhaps been led to believe may be there. There is an estimation of a \$7 million cost on this bill, and I think it is going to be much more than that. I think it could be four or five times as much as that in several years. And as far as I am concerned what it amounts to is a major decrease in revenue without a corresponding decrease in spending or any other kind of corresponding source of income. We've not yet found an alternate source to make up for that loss. I'm not going to spend a lot of time on the issue. The bill may well be justified. There are some solid arguments in support of the bill. But the most important thing you have to understand is that if you pass this kind of bill that you have to, at some point in time and more likely sooner rather than later, decide where are you going to make up the revenue loss. The revenue losses have been outlined and \$7 million, in my opinion, is low. This is just one more bill which will reduce the revenue to the state in future years in a manner in which we are not at this time able to comprehend that loss. I think that we ought to recognize that future legislators will have to deal with that