

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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April 8, 2002 LB 1011, 1085

CLERK: Just one, an Attorney General's Opinion addressed to Senator Smith (re LB 1011). That's the only item I have, Mr. President. (Legislative Journal pages 1489-1500.)

SENATOR CUDABACK: Thank you, Mr. Clerk. First item on the agenda?

CLERK: Mr. President, LB 1085, Senator Pederson's amendment is still pending. (FA1061, Legislative Journal page 1485.)

SENATOR CUDABACK: Back to discussion on the Pederson amendment. We have a list of names. Senator Engel, your name is first. Senator Engel is not here. Senator Landis. Senator Landis is not present. Senator Wickersham.

SENATOR WICKERSHAM: Mr. President, members of the body. Oh, you guys are all right. Just give a little cover here. I'm sorry. I'm...Senator Pederson's amendment I think, if we're still on FA1061, has the effect of producing more money in LB 1085 than we would need to balance in the current biennium. It would...it would bring us substantially over the amount necessary for that purpose, something over \$90 million in excess of what is necessary. So I would not vote for Senator Pederson's amendment for that reason alone. But secondarily, of course, I'm quite satisfied with the general line that we have in the underlying bill, in LB 1085. I continue to believe it is appropriate for us to expand our sales tax base. LB 1085 has that component. I believe it is appropriate for us to roll back a portion of the income tax reduction that was granted in 1997 and then made ongoing in 1998. As I've indicated before, I believe that we made decisions in 1997 and 1998 that we have now found out that we can't entirely afford. One of those was the income tax reduction on an ongoing basis. Our problem in that regard is, I believe, the increased expenditures that we have historically experienced, and will continue to experience, in a category called aid to individuals. And imbedded within that category, of course, is Medicaid. That area, that segment of our government, is the fastest growing component. It has grown faster than agency operations; it has grown faster than aid to local government; it has grown faster than the general revenues