

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

April 8, 2002

LB 1085

dollars is state aid. And so what I have attempted to do, and Senator Wickersham has signed on because this is a Revenue Committee bill, is to try to pull pieces and parts from the various competing interests that are out there. I doubt if Senator Wickersham is happy with every piece in this, I know I'm certainly not, but the goal here is that if you're going to have a bill that has 30 votes to survive an override, there's got to be some accommodations made. And if there is no bill that has 30 votes, the overrides go away, probably, because there won't be any money to fund those, and the likelihood of a special session is not a likelihood, it is a certainty. Now for some, that will be a happy day because we'll just do nothing but cuts. But for those who I believe are interested and concerned about solving a budget crisis and a budget problem, there is more than just going out and having a campaign speech about no new taxes. The Legislature is the one who has to do the unpleasant work and there is going to have to be 30 votes here for some plan. That's what this amendment attempts to do. I am going to share some time. Mr. President, would you tell me when there is five minutes left, please?

SENATOR CUDABACK: I will, Senator.

SPEAKER KRISTENSEN: What this amendment does is it takes the existing cigarette tax that you voted on this morning and puts that in the Reserve, the Cash Reserve; the philosophy of that being that that tax base is not as predictable and that with consumptions fluctuating, that's not a good base in which to put General Fund money. That would last for two years. There would be a half-cent sales tax increase starting, if we have, obviously, 33 votes, in July; if not, in October. And the policy of that is that raises the money the quickest and that increase, obviously, is designed to generate immediate money to solve our immediate budget problems. There would also be, as existing right now in LB 1085 as it is amended, there is a sales tax base expansion, and that we would make that an ongoing permanent base expansion. There would be some additional things taken out. I'm going to let Senator Wickersham touch on those. The other part would be that the sales tax, as I indicated, the rate increase would only be for one year. At that point in time...