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LB 283, 759

Senator Beutler, AM2099. (Legislative Journal page 2055.)

SPEAKER BROMM: Senator Beutler, you're recognized to open on AM2099.

SENATOR BEUTLER: Senator Bromm, members of the Legislature, I will take this one to a vote, because this one represents a proposition where all sides of the Legislature and all philosophies ought to be able to come together. Because it is a means of decreasing the taxes that we're levying this time around in LB 759, and instead of taxing, apply in the short term the money that's coming from the federal government, so we don't have to tax the people as much as LB 759 proposes. So what this amendment does, it says, with regard to the federal funds that are coming in...and by the way, the funds are coming in. I...Senator Jensen's comment with regard to, we don't have the funds yet, well, that's true, but we don't have income tax funds for next year yet either. But the money is definitely coming. I don't think there's any question about that. In any event, the effect of the amendment would be to take \$40 million of the cash...of the federal funds coming in, and put it into the Cash Reserve Fund. And with regard to \$68 million, it would be put into the General Fund. And then the LB 759 increase in income tax would be eliminated, so that Nebraskans would have no increase in their income taxes, and instead we would apply the federal funds. And I think this is the appropriate thing to do, because this is an instance not relating to the continuation of taxes, but relating to having to levy the tax in the first place. If we can get by without levying the tax, and in two years we need to levy the tax, fine. But maybe we can avoid levying the tax altogether, and we can do it without cutting additional expenditures. This is classic congressional style economy stimulation, by cutting the taxes that you would otherwise have on people, and by cutting the LB 759 taxes. And I understand that the administration is against this. I find it difficult to believe, because they supposedly are against all further tax increases. And yet, their position is that we should put this money into the Cash Reserve Fund, instead of eliminating the income tax, or any other tax in the LB 759 package. But I think this is an issue where all sides should come together. This is a situation where you can cut taxes and