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FLOOR DEBATE

March 28, 2006 LB 808, 904, 956A
 LR 410-427

Preister; LR 410, Senator Howard; LR 411, Senator Flood; LR 412, LR 413, LR 414, LR 415, LR 416, LR 417, LR 418, LR 419, all by Senator Erdman; LR 420, Senator Byars; Senator Bourne, LR 421; Senator Louden, LR 422; Senator Landis, LR 423, LR 424, LR 425; Senator Thompson, LR 426; Senator Louden, LR 427; all study resolutions. Senator Beutler, new A bill, LB 956A. (Read title for the first time.) And an amendment to be printed by Senator Kopplin to LB 808, Mr. President. (Legislative Journal pages 1274-1289.)

The next amendment, Senator Redfield, AM2942. (Legislative Journal pages 1289-1290.)

SENATOR CUDABACK: Senator Redfield, to open on your amendment to the committee amendments.

SENATOR REDFIELD: Thank you, Mr. President, members of the body. The amendment, if you have it up on your machine, begins actually in line 16. It's talking about the rate of sales tax, which we know at the state level is 5.5 percent. The added language would say, except that commencing October 1, 2006, the rate of the sales tax levy, pursuant to Section 77-2703 on motor vehicles, trailers and semi-trailers shall be 5 percent. What we're talking about here in LB 904 is the money that the state gained by raising the sales tax rate by a half percent in 2003. We did it because we were in a budget crunch. We kept it in the General Fund because we were in a budget crunch, and we had not intended at that time that it be spent on roads. And I have no objection--in fact, I thoroughly support the formula that they have put into LB 904; I'd like to see that for the cities and counties--but I will tell you that we are facing here a choice. And I think that we need to vote, understanding what that choice is, because you won't see my vote in the affirmative to move this bill out of committee, because I recognize the fact that it will mean that we will not lower the sales tax rate in the state of Nebraska back to 5 percent. And just a few years before that, it was actually 4.5 percent. But right now, we have a state sales tax rate at 5.5 percent, and that extra half cent that we so desperately needed during the budget crunch we are now willing to give away to the cities and counties for their streets and highways. I'm not questioning whether that's a good