

May 4, 1979

LB 585

SENATOR MARESH: Senator Keyes, when you voted against advancing LB 44, did you have in mind to have a reserve for this purpose in your amendment, to provide this \$4.5 million that was to be allocated for an increase in the food tax credit?

SENATOR KEYES: No, I did not.

SENATOR MARESH: If this will not be considered, do you feel this is a source of revenue for your amendment?

SENATOR KEYES: You mean food tax credit?

SENATOR MARESH: Yes.

SENATOR KEYES: I have been here ten years. I have always supported removing the food tax, this tax on food from the tax rolls and I have supported raising it as high as I can get it to make it equitable and fair to the people.

SENATOR MARESH: I know in committee you thought it was not enough credit and so you didn't vote to advance it.

SENATOR KEYES: That is right.

SENATOR MARESH: I wondered if it was, the purpose of that was to have the \$4.5 million for this funding to the schools?

SENATOR KEYES: It definitely was not my intention.

SENATOR MARESH: But this could be a source of revenue now since the Speaker has indicated that this may not have a chance of passing this year, correct?

SENATOR KEYES: At the present rate of the food tax credit and unless it is changed, this \$10 million will come out of the reserve which is at better than 6% and we don't need a 6½% reserve.

SENATOR MARESH: I guess it doesn't make any difference where the money comes from. It will be available I guess the way it looks now. The Governor was counting on this \$4.5 million to be part of the budget and I imagine the Appropriation Committee has considered that in their budget, so now without the bill passing, I believe we have \$4.5 million for this purpose so I will support the amendment, Senator Keyes.

SENATOR KEYES: Thank you and I will support yours.

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