

SENATOR KILGARIN: The fiscal note says that there will be a revenue loss because of the lack of collection of this tax but you must remember that we are collecting this tax by default without specific legislation because of a change in federal internal revenue code statutes.

SENATOR HABERMAN: Senator Kilgarin, thank you very much. You just said it will cost \$561,000 loss in state revenue so I am going to have to even though it is rather unpopular, to oppose this until we start coming up with some way to replace all of this money we are taking out of the bucket. Thank you, Mr. President.

SENATOR CLARK: Senator Wesely. Senator Marsh, do you want to speak again.

SENATOR MARSH: Yes, thank you. Senator Haberman, originally this income was not income which was due to the State of Nebraska. Senator Haberman, we are discriminating and have discriminated against certain classes of senior citizens who have a specific kind of retirement income. We do not charge if they happened to work for the State of Nebraska and retired with social security income but we do discriminate if they happened to work for a railroad and have railroad retirement rather than working for a different entity of government...for a different entity, whether it be governmental or otherwise. If they happened to work for the federal government, even at a very low paying janitorial job, they still pay full income tax on their own dollars which went into that fund. We do not do that on social security. We have felt that as a national policy it was a poor way to do with persons who have worked very hard so they would have a retirement income rather than being the responsibility of a governmental unit, such as, the State of Nebraska. Those persons who have worked very hard, who have had a job and which did provide that they put their money into a retirement income and then the State of Nebraska through its mechanism of piggybacking on the federal legislation and then changes, we now are collecting dollars we should not have had coming to us through this method. And it is true, there will not be the same number of dollars coming from these same persons but those dollars should not have been coming in the first place. Therefore, I am strongly supporting LB 197 and I hope Senator Haberman as well as the rest of the legislative membership will support this one bill to move in this direction for the senior citizens. If we live long enough, all of us will reach this category.

SENATOR CLARK: Senator Wesely, is it convenient for you to speak now?