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LB 257

my area but I would like to have you believe that I would say what I am going to say even if the 1st Legislative District did not have any oil wells because what I am going to say I believe very sincerely. I think that this bill, the amendments here are another example of a social planning that we have had for so many years that have not resulted in anything very constructive. It has resulted in hampering the economic processes of our country without solving the problems of the poor. And I think this is another situation where we will have another vast bureaucracy. We would have study committees. We would have mountains of paperwork. For instance, one of the first suggestions I see here to give cities and villages the option to establish minimum standards for existing buildings. I can imagine what that would get into and I think when you are all through there is very little of this money that is going to trickle down to the poor that you are speaking of. And I would like to say that those of you that are speaking for such great concern for the poor, I hope you also give me credit for being concerned for the poor. I think I am as concerned as anyone else but I just don't think this is the way to go. It is very easy to take the corporations and make them the whipping boys with excessive profits but I think this bill is dishonest in its approach. I don't mean that the sponsors are being dishonest but I think that the approach is misleading. It is very easy to think that these large corporations have huge profits, but if competition doesn't take care of those profits, there are two other ways you can do it. One, you can tax them to the extent that they cannot compete which I am afraid would be the case of the oil industry in Nebraska. Nebraska oil is not big oil and I think you would make it very difficult for Nebraska oil to compete in this very fierce competitive area. It is not big oil so there is only very limited ways that they can operate under such conditions. You can tax them to where they have no resources left to invest, and as a result will give up the exploration of oil in Nebraska, or the other option is to pass it on to consumers. Nebraska oil has to compete in the total oil market, and as a result, if you tax...put this severance tax on Nebraska oil, they are going to be at a disadvantage with other companies because other companies, they do have their severance taxes in other states but they also have a different oil economy than we have. So I think we are penalizing an industry in this state that does not have much representation in this Legislature. There aren't very many Senators from the oil producing areas of Nebraska. There is just a handful of us so it is very easy to pick on these wealthy corporations, these power hungry, profit hungry people, but I think the honest approach would be to put your tax someplace else. This tax as a severance tax, the people will not realize who is paying for this boondoggle