

Omaha says that it is so short of revenue that it has demanded, pleaded, begged that we raise their sales tax. The State of Nebraska is so short of revenue that we can't absorb any of the cost of Medicaid and we can't build a Vet School. Then here comes a bill that will cost from five to eight million dollars in revenue and nobody is saying that we seem to lack it except the Revenue Committee. I think that is because the Revenue Committee realizes full well that we are short of dollars. Now Senator Wesely is claiming that somehow this sales tax in Nebraska will solve America's industrial problems. Now I think that, in fact, the industrial problem is not a problem of appropriate subsidies. The problem of the American industrial enterprise right now is one of productivity, and I would say again that this bill is an incentive, the Goodrich-Landis amendment at least, is an incentive to poor productivity. What we are saying is that if an industry manufactures something like snowmobiles and does it in a way that it is not competitive, that it is losing its money, we will give them a four percent break to get out of the unproductive line and start something new. But if an industry is building a product well and does not want to change, and does not want to open a new line, if you have a brewery in Omaha that is manufacturing beer and wants to continue to manufacture beer, we are not going to give them a four percent subsidy to retool. We are not going to provide, as Senator Lamb indicates, a subsidy for getting a more efficient machine to make more buggy whips. But if a company is doing a poor job of manufacturing something and they want to try something else, we will say, we will forgive a certain portion of your tax. It is these types of so-called incentives that, in fact, are feeding the lack of productivity in the United States, and that rather than giving these sorts of exemptions to people that want to switch and try something new because they are not doing very well in the line that they are in now, we should provide an incentive to those that are doing the job well, the existing industries in this state that have stayed with this state, that have built the state. I think for that reason the Landis-Goodrich amendment is poor economic policy and as Senator Carsten has pointed out it is poor tax policy.

SPEAKER MARVEL: Senator Higgins.

SENATOR HIGGINS: Mr. Speaker, Senators, when I came down here somebody asked me how I was going to vote on agricultural bills and I said, you know I don't know a