

May 6, 1981

LB 3

SENATOR CLARK: Senator Fowler, do you want to close?

SENATOR FOWLER: Mr. President, my amendment really deals with one small part of the broader issue, and the broader issue is the Goodrich amendment, does it exclude more or less than the Goodrich-Landis amendment? Certainly it excludes more from the tax in the current bill but it's a little unclear how much more. I think the reason that it is unclear is that the words themselves may not completely make sense when you put them together. In Alice in Wonderland I think it was one of the...maybe the Red Queen said, words are whatever I say they are. And sometimes in the Legislature we have that type of power. Senator Goodrich says that this applies only to a manufacturing facility of new construction. Well, when I think of new construction, I think of a building being built, a new building or something. Then it says, for purposes of this subdivision, the term "new construction" shall include renovation of an existing facility, so it's no longer just a new building, and installation to increase productivity, a phrase that troubles me greatly. I am not sure what an installation to increase productivity is, except I would say again I know of no business man that would buy equipment that would decrease productivity. So I think most any new equipment is, in fact, equipment that is installed to increase productivity. And then there is the crucial word "or" installation to achieve product diversification. Any one of those three become new construction whether or not a new building is built or not, I mean, we just define new construction to be something different than new construction is, and new construction is installation to achieve product diversification, and installation to increase productivity or renovation. In fact, the thing that new construction does not include is a new building. So new construction may not be new construction, I don't know. What my amendment addresses is the question of processing equipment. What is processing? And I guess I am not satisfied that things like data processing, word processing, are not, in fact, processing operations, and that this tax exemption is more than just a manufacturing plant. It's a processing plant. It's a processing operation. It could be a data processing center as far as I can tell. Now Senator DeCamp was willing to sit down and try and work out language with the Revenue Committee, tighten this up so that we know what we are talking about. If that's not possible, if that's not agreeable, then I guess we will have to try and rewrite this on the floor. I would urge adoption of the amendment because I think we ought to be very precise with the language