

our interest rate is, our cost of living increase seems to match it. I support LB 12 out of necessity because LB 48 was not seen fair enough to be referred out of committee. But to reduce the \$3 increase to \$1, I find rather reprehensible. I say to my friends that have spoken well for commerce and industry and agriculture and for the urban situation, please, let's render justice in opposing Senator Maresh's amendment to his own bill. I am not about to question why the amendment is being proposed, but I certainly am questioning....I am not questioning Senator Maresh why he proposed it, but I am certainly questioning why it should be raised. There is a lot of inequities in our food tax credit system. You know, for those of you that are of a conservative bent, what is more ridiculous than taxing citizens for their utilities and food and sending those dollars to the state and in the food tax credit system, then referring it back to them in the form of a credit? Can you imagine the paper work? What is the sense in giving the collectors of those revenues 3 percent of their gross sales tax receipts to run the whole system? In these economic times it is inefficient. But I am not going to argue the merits of the food tax credit as opposed to eliminating the sales tax completely on food. I just simply want to say that it makes no sense, and it certainly won't do to the citizens that live in our metropolitan areas, our large municipalities, our rural environments, wherever they may live, to grant them only \$1 increase in credit in times such as these. Thank you.

SPEAKER MARVEL: Senator Landis, and then Senator Higgins and then Senator Lamb.

SENATOR LANDIS: Mr. Speaker and members of the Legislature, those who are familiar with the way bureaucracy builds a budget knows the fudge factor, and the fudge factor is those little hidden places in the budget where money gets put aside which can be reclaimed later in the year when times get tough. What we find now is that the sales tax credit on food is the fudge factor in reverse for the Governor. It is the place where after he has made some agreements and some deals and allowed at least portions of the Natural Resources Development Fund money to go through and has seen the totals as far as the Appropriations Committee, where he knows he can get a little more revenue, because, of course, the revenue is going to come in, we are going to have those sales tax dollars flowing in taxing food, and if he can reduce the credit that goes back out, of course the state coffers bulge with the money that is left over, and it is the fudge factor in reverse. The Governor has found a way to increase revenue, decrease disbursements and allow himself