

May 29, 1981

tax rate, and I am proud, proud indeed of that fiscal responsibility. What a contrast there has been between the State of Nebraska and the federal government where I had toiled in similar chores, as you are here, for eight years. Our state budget must be balanced, folks. The federal budget has become more and more blotched with red ink. Our state spending has been curbed. Federal spending has been absolutely and ridiculously out of control. Our state taxes have been reduced, federal tax bites have gotten fiercer and fiercer every year. State policies, I would challenge to all of you, have helped to make the economy here better. Federal policies, on the other hand, have contributed to inflation, double digit, high interest rates almost up to twenty percent prime recently, and an unacceptable level of unemployment. Last November the people of America voted for an about-face in those disastrous federal policies. The American people are now hoping that Congress will this year finally cut back both the federal growth in spending and in taxes. At a time when we hope for progress in federal fiscal matters, I'm not going to allow the State of Nebraska to become a tax hiker. There is danger that the spending appropriated over my vetoes could cause an increase in the state income or sales tax rate. The danger is increased by the fact that revenues are not equaling forecasts. The Nebraska Board of Equalization and Assessment will meet on June 10th. By that time we will have a little better projection on how the proposed spending will match our revenues. The more...the Board will be meeting regularly and, of course, meeting again officially in November or earlier if necessary. I pledge to you here and to all Nebraskans that if at any time it appears that state revenues will not be sufficient to meet appropriations plus reserve with our current tax rates, I will take immediate action. Rather than voting the easy way out for an increase in state income or sales taxes, I will call a special session of this Legislature asking for appropriate spending cuts. Now, in conclusion, I bid you farewell with another most sincere thanks for your efforts. You work long hours under difficult conditions for low salaries and your contributions, I assure each and everyone of you, are deeply appreciated by me, personally, a temporary Chief Executive here, and all thoughtful Nebraskans. I hope to see you individually often in the weeks and months ahead. I also hope that revenue collections will improve substantially so that I don't see you collectively until January, 1982. Thanks once more and may the good Lord watch over you until we meet again. Thank you.