

of those proposals and until Congress finally acts we're not going to know the reality which will probably be after we are out of session. We have had presented to us the Governor's proposal for the budget. We have also been given to us a tentative proposal by the Appropriations Committee. We have also been given to the Revenue Committee several different approaches to raise the necessary revenue to meet these proposals and it is going to be, as I understand and foresee, the responsibility of the Revenue Committee to recommend to this body the foundation upon which we build to take care of those requests. I would suggest also that what we do this year, realizing full well that the future is going to be a continuation of what we are now starting in this year with a \$12 million loss to the state which will be increased dramatically in the next few years and that the groundwork we lay this year should be solid, should be well thought out and well adopted. I think the Revenue Committee needs all of the help, recommendations and suggestions that are available for us to consider to be able to give an intelligent and realistic answer to this body. I believe that the individual income tax is one of those areas and that our committee should weigh that along with the increase, the recommended increase in corporate, cigarette and other areas for money. I would hope that you would support Senator Warner with the understanding that this would again have a full airing before the Revenue Committee for the public to respond to this suggestion for this revenue measure. Thank you, Mr. President.

SPEAKER MARVEL: The motion before the House is the adoption of the Warner amendment to LB 454. The Chair now recognizes Senator Newell.

SENATOR NEWELL: Mr. President, members of the body, I rise to support the Warner amendment and I do so for a number of philosophical reasons and then some very practical reasons. Now first of all, let me deal with the philosophical reasons. I have never liked 454 because I believe it is a policy decision that will make it far too easy for this Legislature to authorize the Board of Equalization an assessment to raise taxes. It allows us inch its way up. So I support this proposal for one very good philosophical reason because with the Warner amendment here it puts the power to raise and levy taxes where it ought to be, with the people who basically spend the money, appropriate those dollars. It puts it with the Legislature and this is another precedent and another step in that direction. I think it is a positive thing. Now that's a philosophical reason. There is another philosophical reason here that we should be doing this and that is because if we are going to set the sales and income taxes we ought to do that legislatively with a public hearing and I would support the next motion. I think