

SENATOR KOCH: The Revenue Committee has also had a public hearing on the possible increase of corporate taxes, have you not?

SENATOR CARSTEN: Yes.

SENATOR KOCH: The Revenue Committee has so far seen fit not to make any recommendations on that hearing, have you, as of now?

SENATOR CARSTEN: Correct.

SENATOR KOCH: Alright. Now that is where I want to frame the remarks I want to make. What you now have is you have before the people for public testimony the issue of the possibility of income tax and I think that is appropriate. This body last November when we met, many of us had some, I think, anger and we were rather spiteful. We were trying to condemn either the Governor or the Board of Equalization and everyone. Here the Legislature is providing an opportunity for a public hearing, that is, do we believe that income tax is the right way, corporate tax or a combination of both? If I am not incorrect we have a revenue act where they are tied together to a certain extent in terms of the kinds of revenue which will be generated and I don't think we can violate that revenue act at the present time too much. Frankly I feel that we left here last November and made a terrible mistake when only thirteen of us saw fit to say at that time to the public, we do indeed need revenues because of problems that we foresee coming at us because of federal issues. At that time there were some people trying to punish the Governor in here. It was very partisan and even some of the Republicans in here did not see the light. It isn't often we have a chance to mend our fences and do it appropriately and be a nonpartisan Legislature such as we are supposed to be. So I suggest that we adopt Senator Warner's amendment. This is the second time he has tried to lead us out of the wilderness and some of us are probably not going to be willing to follow or we are going to get lost in that wilderness. And to Senator Peterson, he hasn't been here very long but I've heard those intimidations before over abortion and a lot of other things and some of those of us who are seeking reelection will have to take up our chances and I am willing to take a chance because our responsibility is to make certain that this state has the revenue necessary to provide for our problems as they confront us and not cause us to be embarrassed in future years. This is wise planning. It is appropriate. So I would hope this body would approve the Warner amendment, send it to the Revenue Committee for an appropriate hearing. Then we will make a decision later on what kinds of revenue we are going to enact for the next fiscal year. Thank you.