

February 5, 1982

LB 454

CLERK: Yes, sir.

SENATOR WARNER: No, I don't think so.

CLERK: Okay.

SPEAKER MARVEL: Senator Kilgarin, do you want to advance the bill? Senator Carsten, will you make the motion to advance the bill?

SENATOR CARSTEN: I so move, Mr. President.

SPEAKER MARVEL: The motion before the House is the advancement of the bill. Senator Newell, your light is on. Do you wish to be recognized for this purpose?

SENATOR NEWELL: Mr. President and members of the body, I rise to oppose the advancement of LB 454. Let me say that without the Warner amendment which would have sent this back to committee where it should really be and where I would have liked to have kept it in the first place, we now have only one good section and that is the section requiring that we get some updated reports on our receipts and the revenues that are coming in. But basically 454 is a bill to raise taxes and this Legislature said we don't want to do that. We are not going to raise the tax rates and so why should we push through this proposal which allows our tax rates to inch up? Basically if we pass 454 we will have an opportunity to kind of vote for one or two more A bills, add another good amendment here and another good amendment there and we will only trigger just a little bit of an increase because that is what this bill does. It allows us to inch up these sales and income tax rates. Right now those are barriers to spending. Those are barriers because we know that a little inching here and a little inching there and the Governor knows that if he is overridden, if he doesn't fight to keep from being overridden or if he doesn't come in here and try to keep some bills from being tacked on as we tend to do towards the end of the session, that we're going to have to have a substantial increase in the sales tax rate or the income tax rate. But this bill will allow us to kind of do a few more things each and every year, kind of inch our way up. You know, I was talking to a person from the administration and they said, you know there is two philosophies on this proposal. One is that it will allow the sales and income tax rates to be raised more easily and, therefore, it is a bad bill. And then they said that there is another proposal which the administration holds is that it will allow the sales and income tax to inch up more easily and, therefore, it is a good bill. There is no dispute over what it is going to do. The only question is, is this good public policy? And I say that 454 is an opportunity for each and