

decided to be pretty supportive of the Governor this year myself. I was going to support the corporate income tax and the over levy bill, but as a smoker who must have a lot of smokers in his district, I am not too anxious to support him on the cigarette tax bill which only raises \$7 million. Now I don't know exactly what the disposition of the Revenue Committee's revenue raising proposals are. Senator Warner brought in a great one the other day which I opposed. It raised \$4.1 million from the general homestead. I mean there are a lot of revenue raising proposals out there. There is probably quite a few spending proposals that the Appropriations Committee is considering too. The question seems to me since this year we don't have any more revenues than we did last year, just how much money are we going to raise and how much of that money that we raised are we going to spend, and I think that if we decide not to spend some of it, you know, that would be wonderful, but the bottom line is there is a lot of interest. I want to ask Senator Warner a couple of questions.

SENATOR CLARK: Senator Warner.

SENATOR NEWELL: One of the questions, Senator Warner, I would like to ask is has the Appropriations Committee really looked at the budget and basically how did you arrive at your amendment that you proposed?

SENATOR WARNER: Well, there was a variety of....

SENATOR NEWELL: I guess the question really is, have you had a chance to really go through it agency by agency and make those kinds of decisions that you need to make and come up with that sort of recommendation based on that hard evaluation of each and every agency request?

SENATOR WARNER: Well, yes and no, Senator Newell. We used a different approach this year. We started in December looking for places or programs to reduce or eliminate, and we have proposed a number of those for review. We have not proposed any of them to be done, but we have proposed to be reviewed. I guess realistically we have been looking at, at least I have been looking at what the receipts are as they stand today and it was the combination of looking at those receipts, the federal fund loss that...or the loss Nebraska has taken because of the federal changes, and my basic position is that we should not absorb all that loss and the \$15 million holds us about even as far as that loss of revenue is concerned.