

February 25, 1982

LB 304

SENATOR FENGER: Mr. President, last week I voted against this proposal. I intend to support it today but I am going to support it with the understanding that LR 215 will be resolved prior to Final Reading on this particular bill. If the spending level on that 215 is what I consider more than the hard pressed citizens of this state can afford, I reserve the right not to support this bill as amended on its Final Reading. Thank you.

SENATOR CLARK: Senator Barrett.

SENATOR BARRETT: Mr. Speaker and members, I have been one of those who has supported the no-tax increase position up to this point and have been very comfortable with that particular position. I have told my constituents over and over again that I would not support a tax rate increase nor a tax increase until I was totally convinced that all other alternatives had been explored or all options had been examined. I believe that that time has come. I think that this Legislature must now take the action necessary, a responsible action and follow the leadership of both the Chairman of the Revenue Committee and the Chairman of the Appropriations Committee. I, like others, am now convinced that an increase to 16 percent is not a tax increase as such in terms of dollars, a rate increase it is. It will translate into actually perhaps less dollars than we were paying last year even with the 16 percent. I was one of those who felt we could pass along the reduction at the federal rate or at the federal level to the taxpayers, pass through that savings. I am now convinced that we cannot under the present set of circumstances as we know it today with the federal reduction effective October 1st of last year, another 10 percent coming through in July of this year, the reduced revenues in January, no reason to expect that they are going to improve in the months to come, and the amended Revenue bills that have been advanced to the floor, I think we have little choice at this time. So after some personal soul searching, after visiting with the Chairman of the Revenue Committee and the Chairman of the Appropriations Committee, the only responsible thing to do at this point is to support the amendment to 304, remembering, of course, that the increase whether in rates or in dollars is politically unattractive, I know that as well as anybody else in this body, but I believe at this time it is fair, I believe it is unavoidable. It wasn't easy for me to arrive at this decision but now that I have, I am comfortable with it. I believe it is right. I believe it is responsible. I would hope that you support the amendment. Thank you.