

to go higher than the minimum. So I think the minimum in fact becomes the reserve, and although perhaps we would like to see in an ideal world a Board of Equalization that would have the political courage to accept the suggestions of people like Senator Johnson and Senator Carsten and raise the rates in order to provide a higher reserve, such a thing does not happen. As far as the argument that we need this bill for amendment purposes, the next bill, I believe, covers the same section of law, and in fact I think there are several bills floating around dealing with this Board of Equalization section. It might be better in fact, in order for us to have a coherent policy, to try and put everything in one bill rather than scatter it about. So I think that in fact we could remove this bill from consideration and still have 693 that deals with the identical sections of state law. Finally I would say that as many people have said, revenue projection is a shaky business. In fact it has got so shaky these days that in a two week period we cannot tell what is going to happen. Revenue projections change constantly. We are assured one week that there is no cash flow problem until October. We find out that the next week refund checks are held and that a new concept of borrowing from ourselves must be introduced into the statutes. So given the uncertainty of revenue projections now, given the fact that federal tax changes are incomprehensible to us as far as their impact on state cash flow and as far as state income, it would seem to me that this is exactly the wrong time to lower the reserve, and anyone that claims that the Board of Equalization, this Board or any other Board, would if the reserve is only 2% suggest that we raise taxes and have a 5 or a 6% reserve is simply not dealing with the political reality. This Legislature should establish a minimum in statute so that the Board of Equalization cannot play political games and push the state into the cash flow situation that we have. What is the impact if we do not have that type of reserve? It is things like the citizens of the State of Nebraska do not get their tax refunds. It is that the state budgeting becomes so tight that we change our state spending policies on a monthly basis or perhaps in the next few weeks on a weekly basis. It is that we move ourselves in such a tight fiscal situation that we have bad fiscal management. I think that us, as the Legislature, should indicate a standard to the Board of Equalization for reserves.

SENATOR CLARK: You have one minute left, Senator Fowler.

SENATOR FOWLER: Gosh, time goes fast. At one time 5% was the reserve that we used to have and we had a special session and then we established a range. I think if we go down to two and establish the concept of borrowing from ourselves,