

is coming out of Canada unless it is a fact that they have all those taxes up there which is the same thing you will do in Nebraska if you increase that severence tax to a point where it is not productive. They will not go out and look for oil. That is just how simple that is. You get into the State of Wyoming where they have oil coming out of their ears you can put any kind of a severence tax you want on it. We don't have that production here. The only thing we have here is what we find in a small pool. I will certainly reject bringing this bill back because the Attorney General had me take that off in the first place.

PRESIDENT: Chair recognizes Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the Legislature, I support this amendment. I think the other day I did not voice objection when it was taken off, but I think the arguments really for taking it off are more vague than those for keeping it. At this point, especially with the new information on the way that Canada handles its oil situation, its severence tax, I feel that it should be put back on and I wholeheartedly support the Schmit amendment.

PRESIDENT: Any further discussion on the motion to return by Senator Schmit? Senator Schmit, you may close.

SENATOR SCHMIT: Mr. President, I'll be brief. I support Senator Clark and his efforts to keep the severence tax reasonable on oil produced in Nebraska, and he knows that. I think that the very fact that the severence tax that Senator Fowler and Wesely pointed out in Canada is very high and may bring capital into Nebraska but it may also bring it in at the expense of investors in Nebraska. Competition is going to be a little tougher I think because there is probably a lot of money up there that wants to come down here. I'm just saying that if we allow that to happen and I have always been in favor of the free movement of capital. But if we allow that to happen then the capital ought to be allowed to go the other way also. I think you just make a mistake if you say, okay, we are going to invite the Canadians in here and we do not ask for the same kind of consideration in return. It doesn't say we have to go up there, it just says come on over across the border folks, you are welcome here, but we don't want to go back in there, we are not asking for the same kind of consideration. He says we do not have control over their legislation, of course we do not have control. I don't know if we have control of our own sometimes, Senator Clark, it seems as if we do not from time to time, must of it seems to be directed from somewhere else. The point I