

April 5, 1982

LB 757

I guess, but we still would be lowering the reserve or allowing the Board of Equalization to lower the reserve to 2%, which I oppose. I think that we are going in the wrong direction at this time in our economy, that we may have to make some adjustments but I don't think we should plan to reduce that reserve when we are making, when we are making the plans to collect taxes. So I would oppose that part of it. The first part is hard to oppose because that is what we are doing now. The part that we are not talking about is the one, I guess I disagree with.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the Legislature, a question of Senator Warner. Does 757 now say 2%?

SENATOR WARNER: No, Senator Haberman, the pending legislation proposes 2%. I'm merely stating that for purposes of setting the budget we use a, we anticipate the use of a 3% reserve factor.

SENATOR HABERMAN: Does this amendment change the 2%?

SENATOR WARNER: No, if you want to do that, that is a part of the bill. I'm not changing the bill, basic purpose of permitting the 2%. What I am saying is that by dropping to 2%, you do not, the Legislature does not spend or the Governor does not spend that additional 1%. They do not appropriate it.

SENATOR HABERMAN: They could not appropriate it.

SENATOR WARNER: Could not.

SENATOR HABERMAN: Then why drop it?

SENATOR WARNER: Because the economy, well, that is the purpose of the bill originally. I'm not arguing the merits of the bill originally what I am arguing is that if it is to be dropped to two, for the Board of Equalization to use, in no event, do we appropriate a level that forces it down to 2%. We should. . .

SENATOR HABERMAN: All right, in other words what you are saying is we shall not make appropriations that force it to two, but if necessary to run the state the Board of Equalization has the authority to take it down to two.

SENATOR WARNEK: Yes.