

Governor's budget. There is no argument there. There was no argument in the committee on that. Now the difference and what is being discussed this morning are cash funds and deferred capital construction. Now I think it is as simple as this, members of the Legislature, do you want to spend money that is scheduled for payment during the next year now? If we don't pass the Warner amendment, we have double problems next year because we are budgeting next year's appropriation plus the shortfall that we are creating now if we don't pass it. Now is that fiscally responsible? I don't think so. This Legislature didn't know the federal income tax would be cut. It is no fault of ours. It is no fault of the Governor's but it happened and I think we must replace it with this one percent income tax that is in the Warner amendment. Let me give you one example that I think makes it pretty clear. If you contracted to buy a house a year from today, that is, let's say you contracted on July 1st and you were to pay for it on July 1st, 1982 and you agreed to put in escrow equal payments for twelve months. Now four months after you started this agreement on July 1st, you decided I am not going to put any more money in escrow. What happens on July 1st, 1982? You know what'd happen. You lose your house. We can't lose the State of Nebraska and it is absolutely the same thing with cash funds and deferred capital construction. So what do we do? We raise taxes and I honestly believe with the economy like it is today if we don't make this move now we can, depending on how the economy is a year from now, the income tax could go to eighteen percent and it is possible that the sales tax could be raised a half a percent. I hope not. Heaven forbid! But I think we run that risk. I think if we pass the Warner amendment that we can hold the line and know much more about it by the end of the next session and make arrangements for it. I think it is fiscally responsible. I think we should pass the Warner amendment.

PRESIDENT: The Chair recognizes Senator Howard Peterson.

SENATOR HOWARD PETERSON: Mr. Chairman, I would call the question.

PRESIDENT: All right, the question has been called for. Do I see five hands? I do. The question then is, shall debate cease? All those in favor vote aye, opposed nay. Have you all voted? The question is, shall debate cease? Record the vote.

CLERK: 23 ayes, 17 nays to cease debate, Mr. President.

PRESIDENT: Motion fails. The Chair recognizes Senator Cullan. Okay, Cullan waives. Senator Schmit. The Chair recognizes Senator Schmit. I will go to Senator Nichol and