

the event that the economy does not bounce back. I say, and I have voted that way solid straight through in the Budget Committee, that let's not increase the rates right now. We can avoid it right now. Let's not increase those rates now. Let's wait until January, February when we know what the economy is going to do. March even is about when we are going to be actually voting on this issue and be faced with it. If, for example, the economy bounces back like it looks to me like the construction industry is going to bounce back, and it looks to me like the crops are going to be pretty darn good this year, that is assuming that as Senator Warner says we can get them in out of the field, and if the economy does bounce back and we are in a position not to have to increase the tax rate next year even, then we will look pretty foolish for having done it...

PRESIDENT: One minute, Senator Goodrich.

SENATOR GOODRICH: We will look pretty foolish having done it this year when we didn't have to do it, and it is for that reason that I am voting against the Warner amendment and against that tax rate increase. Thank you.

PRESIDENT: The Chair recognizes Senator Hefner.

SENATOR HEFNER: Mr. President, members of the body, this issue is a tough issue this morning. It is also a very crucial issue. I don't think that the Warner amendment is calling for more taxes. All it is saying is let's keep it status quo because the federal government did reduce federal income tax and I think we have got to realize this. I think that the Warner amendment is reasonable. I think it is a compromise and I think if we do not accept this, well, then we are going to have to raise the income tax rate perhaps two or three percent next year and I would say that it is better to raise it one percent at a time. I also think that we need to keep helping local government. We need to reimburse them for the money that they have lost from the personal property tax relief. We also need to help them out on the homestead exemption bill that we passed from time to time and, of course, we also have many other ways that we help them. The Warner amendment still proposes a \$15 million tax cut from the budget and so I really do not think that we are this far off. Therefore, I would certainly urge you to support the Warner amendment.

PRESIDENT: The Chair recognizes Senator Newell.

SENATOR NEWELL: Well, I think I will stick to the issue. Mr. President, I rise to oppose the Warner amendment and