

Hefner, but they were right on target when they mentioned the fact that we went through this on LB 775 and that it failed at that time, and it deserves to fail again this time. I fear many of those affected would establish, as Senator Hefner said, residency in another state, and we must always and must encourage the entrepreneurs to share ownership of their companies with their employees, so I urge the members of the Legislature to reject Senator Wesely's motion, and I don't think it is necessary now to be making any changes in LB 775. Many of us have heard over and over 775 is working. We haven't given it a long enough chance to make sure that it does work even better than it has, and we all know that it is working all through the state. I am very reluctant at any time to make any changes that would discourage the people that we have now encouraged to come to the State of Nebraska, and then say two years later that we are going to make some changes. As far as the article that Senator Wesely passed out that is dated in 1987, where he is talking about Walter Scott and Mike Harper, these are two gentlemen that I know personally and have probably only known them for about two years, ever since we introduced LB 775, and I do know now what they have done for the State of Nebraska in their contributions to many of the activities we have throughout the whole state, and we certainly don't want people like them to establish a residency in another state. So I urge the members of the Legislature to reject this motion quickly and firmly and let's go on with our business.

SPEAKER BARRETT: Thank you. Senator Wesely, please, followed by Senators Schmit and Nelson.

SENATOR WESELY: Thank you, Mr. Speaker. I can understand and appreciate both Senator Hall and Senator Labeledz's concerns and Senator Hefner, and, Senator Korshoj, I appreciate your help and support. I don't know how many votes will be against this bill. I am sure it will be quite a number. But I don't think, on the other hand, it is inappropriate to raise a clear-cut issue like this, and though there are differences of opinion, I still think it is quite clear in my mind that these individuals are cutting a fat hog when they have the ability to take over \$500,000 in capital gain and not pay any income tax on it whatsoever. Yes, it is true. They have got the mobility to leave this state, and it is also true that under the provisions of 775, yeah, they can stay here but their money may fly off somewhere else, so we have individuals but we don't have the money that they have. They have got the ability to put that anywhere they want to. I think