

introduced on the federal level where persons can set aside money for certain beneficial purposes and get some type of tax benefit from it. And Senator Johnson pointed out that in these federal types of programs the problem was that the only people whoever set aside the money were the people who were fairly wealthy and fairly upper middle income or upper income bracket who could afford to do it and so the actual practical effect of it was that...that the middle income working people who are living on a month-to-month basis generally do not make these type of investments or set asides to receive the tax credits and so the...in theory, what you want to promote does not really occur, at least according to Senator Johnson, and what you end up doing is giving tax benefits to fairly wealthy individuals and those benefits are not distributed according to need or according to the persons that really need to take advantage of the program. Unfortunately, working people, even though this would be a benefit to them, do not as a practice, according to Senator Johnson, take advantage of it so we really just give the tax credits to upper income and upper middle income people. So, for that reason, I am going to vote no on this. If the bill passes, I may research it further and then when Senator Chizek is here we can have a more extended discussion on it on the floor. If the bill does not advance this time, certainly it can come back up again and at that time when Senator Chizek is here we can discuss it further. But I do have reservations about the bill. I suspect, knowing Senator Johnson, he was probably right in his assessment of the tax consequences of it. Of course, he was Chairman of the Revenue Department and really followed these things very closely...

PRESIDENT: One minute.

SENATOR McFARLAND: ...and, believe it or not, Senator Johnson and I did agree on occasion although you may not believe it, having heard the debate for the past two years between him and me. So, for that reason, I'm going to vote no. I ask you to look into it as well and examine this issue, examine what the practical aspects of it are because in theory it sounds like a great idea, but I think in reality other programs like this have not had the desired results and I'm afraid that this program would not have the desired results either. Thank you.

PRESIDENT: Thank you. Senator Smith, please, then Senator Conway.