

history and are going to refrain from repeating mistakes of the past.

PRESIDENT: Thank you. Senator Hall, please, followed by Senator Withem.

SENATOR HALL: Thank you, Mr. President and members. I supported LB 140 when the bill was on General File and because...my gut reaction was that of I think many of the members in that this is a bill that promotes and supports education and the ability for individuals to basically plan for their child's future. It's difficult, as I think Senator Smith pointed out, to argue with that. It's difficult to be a bad guy with regard to that type of an idea, that type of a proposal as Senator Chizek and others bring it to us in the form of LB 140. But the issue of how this impacts the income tax system, as Senator Warner just stated, and the issue also that has been raised yet this morning with regard to who does this really impact, who is going to have the ability to use this, are two that need to be discussed and I'm not sure were discussed fully on General File with regard to LB 140. The bill went to Education Committee. It did not come to the Revenue Committee and it has as much an educational impact as it does a revenue impact. The revenue impact is slight in terms of the numbers, probably. It is difficult to get a hold on that, but the issue of narrowing the base, and I'm as guilty of anyone with regard to my own pet interest with regard to introducing bills that I feel strongly about with regard to not only the income tax but the sales tax. We all can take the stand that the base has been eroded except, and it should be corrected except when it comes to areas that are near and dear to us. So I can't say that it is...I can take a Puritan standpoint with regard to feeling that there won't be a time and point where somebody may read this transcript back to me and say, but, Senator Hall. The issue here is one for me not only of erosion of the tax base, but also those individuals who would benefit from this. The way I read the bill, and I think I'm reading it correctly even with the amendments, an individual could take the \$2,000, put it into an account and send their wife to school as long as their wife met the qualifications, it could be an executive of a company. As long as the wife who becomes a student met the qualifications with regard to the number of hours, the residency requirement, that individual would be able to take that tax deduction just like an 18-year-old who leaves home, travels to Lincoln and takes up residence in a dormitory. That's what the bill allows