

April 4, 1989

LB 335

CLERK: (Record vote read. See page 1487 of the Legislative Journal.) 11 ayes, 22 nays, Mr. President.

SPEAKER BARRETT: The motion fails. The next item.

CLERK: Mr. President, Senator Hall would move to amend the bill. (The Hall amendment appears on page 1487 of the Legislative Journal.)

SPEAKER BARRETT: Senator Hall, please.

SENATOR HALL: Thank you, Mr. President, and members, it's a simple amendment. LB 335 was a bill that Senator Rogers and Senator Korshoj and others brought to the Revenue Committee. It deals with the issue of LB 270 or the investment growth provisions for small companies. And the arguments that were presented were arguments that the committee felt were important to the extent that one-half of the bill dealt with and that was the half that said we think that there should be companies that make a smaller investment that receive the benefit. Well, the other half of the bill was a 50 percent increase in the benefit and that's how the bill came out of the Revenue Committee. You need to understand that, that there's a 50 percent increase in the credit that is given. It is increased from 1,000 to \$1,500. We reduced the investment necessary from 175,000. I, clearly, support the reduction of the investment. I think that there should be this incentive available to the folks who don't invest to the extent that the original version of LB 270 would require. But to increase...to do two things, to reduce the investment necessary and then to have a 50 percent increase in the credit that is allowable, I think, is way too much. I did not hear at the hearing where the need was great or there was any good justification for the increase in the credit. The only argument made was the arguments made in comparison to LB 775 provisions that went to the larger companies. So what my amendment does is just...it leaves the investment reduction the way it is as the bill was originally introduced and it offers the original credit of \$1,000. It strikes the 1,500 provision or the 50 percent increase. I believe that this is something that will take very little time but needs to be voted on because it's a specific policy issue. It's a 50 percent increase in the benefit that we are giving to these companies, not to mention the reduction in the investment which I wholeheartedly support. With that, Mr. President, I would urge adoption of the amendment.