

Lutheran Elementary School in Omaha with their teacher. Would you folks please stand so we may recognize you. Thank you for visiting us today. Senator Hefner, please, followed by Senator Moore.

SENATOR HEFNER: Mr. President and members of the body, I know that Senator Wesely is offering this amendment in good faith, but it has been around quite a few times. And, Senator Wesely, when the Revenue Committee held a public hearing a couple of years ago to change our state income tax, well we worked long and hard on it and we thought we did have it fairly close to what we wanted. But then over a period of years we found out that it was raising a little more money and so Governor Orr brought this bill to us, LB 739, which I think is a very, very fair bill. I believe we did adopt one amendment to it on General File, but it's just about left in contact the way it was before. Setting tax rates, I want to emphasize to you once again, is not an exact science. When we change this figure a little bit here, or that figure a little bit over there, it changes it quite a little and it takes time to see the results of what we have done. And two years ago I believe there were 30 senators that voted to change our state income tax and to have a tax reform. We did this. We realized that we raised a little more money than we intended to and so we are now supporting LB 739. So I would urge this body to defeat this amendment and then go on and advance the bill to Final Reading.

PRESIDENT: Thank you. Senator Moore, then followed by Senator Hall.

SENATOR MOORE: Mr. President and members, I guess I won't have to go into the rhetoric I used on the irony of Senator Wesely offering an amendment like this, at least on General File. I think you remember what I said then and I think it holds true today that Senator Wesely is the one that wants to give the money back and also the one that wants to spend it. But the only thing I want to address is the fact that Senator Wesely in his opening made it sound like, well, if we're assuming the revenue forecasting board is indeed going to raise projections this afternoon, he inferred as I listened to his speech that the increase is because taxes are raised in LB 773 and that is simply not entirely correct because there's a lot of reasons those revenues are increasing. Sales taxes are far exceeding projections, we know that's the case. We know that the economy is growing. That's part of the reason for increased revenues.