

administer, but again you don't particularly address the ability to pay issue. Senator McFarland's amendment is better at dealing with that, but mine is better to deal with administratively. So we've got some different ideas, they all get to the same conclusion, that before we put more money into day care assistance for families with the ability to pay for day care, we should first address the day care problem of those families unable to pay for day care and now having reimbursement rates far below the market and unable to find day care providers. We're raising the issue, we're making the point. There is no need to pursue it at this time because there are other avenues, perhaps, that this can be addressed. But Senator Hannibal has agreed to work with us, and we do look forward to working with him. So I would ask that my amendment be withdrawn. With one last thing, I have passed out for you the federal day care credit and how it works. You have a 30 percent credit of your expenses on day care, up to \$10,000, and then little by little it's reduced down to 20 percent credit, if you have 28,000 or more in income. So that there is some progressivity to this credit on the federal level, although there is no cap, so any income level can claim the credit. Anyway, with that information I look forward to working with Senator Hannibal. And I would have that amendment withdrawn, Mr. Speaker.

SPEAKER BARRETT: It is withdrawn.

CLERK: Mr. President, Senator McFarland would move to amend. Senator, this is your AM1451, it's on page 1814 of the Journal.

SPEAKER BARRETT: Senator McFarland.

SENATOR MCFARLAND: Thank you Mr. Speaker and fellow senators. This amendment I will not withdraw, because it is a good one and it is not, it is not something that I'm just trying to make a point with. It is something that we should be doing with our income tax system as far as a revision and as far as trying to restore some kind of equity and fairness to the entire system. This amendment is a bill that I introduced this session, it was LB 783. And I've passed around a handout that you can take a look at, it is the fiscal note on the bill. It explains briefly what the bill does. Two very simple things that the bill does, one, LB 783 adopts the federal person exemption level. At the present time the level on the state...for the state personal exemption is \$1,130; on the personal exemption for the federal