

families, and I would urge them, insistently urge them to vote for the passage to E & R Engrossing of LB 739, because I fully support it. Thank you.

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

SENATOR HALL: Thank you, Mr. President and members. I rise in opposition to the advancement of LB 739. And that is not easy to do, but I do that based on the fact that I think that LB 739, although well-intentioned, is premature. The bill changes the income tax system, specifically the brackets, that we adopted two years ago as a body here overwhelmingly, a total rewrite of our income tax system, or in essence a first draft of our income tax system. Prior to that there was none, there was just basically a number that you paid based on your federal liability. But 739 would rewrite that to a certain extent and allow for a couple of other credits that the body deems appropriate at this time, at least one that I would agree with wholeheartedly. But LB 739 will reduce revenues, it will reduce revenues into the future. And we have heard much talk very recently with regard to the fact that revenues have been coming in, but that we don't know how long that is going to last. The witchcraft side of the formula is the revenue forecasting side. You never know, you can't predict what the economy is going to do, or what things such as mother nature will have to say about the agricultural economy. If we are in the process or in the middle of a drought, and the worst is yet to come, how do we project what we need to do with regard to our tax base? I say that at this point in time, yes, I'm very grateful for the fact that the revenues are flowing into the state. It is new and different and I have to say that it is about time. The fact of the matter is that we have been living on a very lean budget for a number of years, that it is important that we begin to fund some of the things that the Appropriations Committee has pinpointed at an appropriate level. I think for us to pass LB 739 and reduce revenues into the future, because that is what we do, we don't give anything back, we don't go back in time over two years, but we look at what we are going to collect into the future and we say we're going to reduce that. I don't think that that is prudent to do at this time. I think we should allow LB 773, as we passed it, to continue to work, to continue to allow for revenues to come in at a rate that is something near what we have in the past, past two years. Who knows what is going to take place. I think it would be irresponsible for