

increase over the two years. I'm not doing away with the 3.5 percent (sic) increase because I feel we do need more money to construct new roads, repair our old roads, repair our bridges, replace our bridges. So I'm not doing away with that 3.5-cent per gallon. I'm just trying to feather it in a little bit. I feel that this would also give the Department of Roads a little more time to gear up to spend this much money. The highway construction companies will see all this money coming in and I'm sure we will see construction costs escalate. Also, I believe a nearly 20 percent increase is inflationary. That's nearly a 20 percent increase in one year. If we feather it in over a two-year period, it will be slightly over 10 percent the first fiscal year and slightly less than 10 percent in the second fiscal year. The State Highway Department, I feel, is doing a good job in Nebraska and I certainly don't have anything against them and I don't want to delay their programs, but I think this is a reasonable amendment. Like I said, I don't have any problem with the State Highway Department. I want them to continue doing the good work that they are doing. But if we increase it 2-cents per gallon this fiscal year that will bring in \$20 million more this coming year of state funds, and if we use the 50 percent federal match that will be \$30 million more this fiscal year, this coming fiscal year than we have this fiscal year. Next fiscal year, I don't touch it. We leave the 3.5-cent per gallon there. That will bring in 35 million of state tax receipts and, if we match that with federal funds, that'd be 17.5 million of federal funds for a total of \$52.5 million increase. I think that this is a fair and reasonable amendment. Also, I passed out some information and on the last page of that pass-out you will find the state gasoline taxes of other states, and I think if you could just take a little time to review those. Like, for instance, Iowa at the present time has a gas tax of 20 cents per gallon and their diesel tax is 22.5 cents per gallon. On the other hand, Missouri to the southeast of us has a gas tax of 11 cents a gallon and 11 cents diesel tax. Now Kansas has voted to increase their gas tax. Their gas tax was presently 11 cents and starting July 1, '89, theirs will go up to 15 cents, which is 4-cent increase and then it will be a penny increase a year thereafter reaching a total of 18 cents per gallon in 1992, whereas their diesel tax currently is 13 cents a gallon reaching a high of 20 cents July 1, 1992. So you can see that some of the other states are feathering increases in. South Dakota to the north of us at the present time has an 18-cent gas tax and diesel tax, and their future schedule shows no change. So I just bring this