

Did Not Know 773 Was a Tax Increase?" I will just read a few of them to you. On April 7, 1987, on General File of LB 773 the following exchange took place. Senator Brad Ashford said, "What we have done in 773 though is, in fact, increased taxes to a certain segment of our population. Is that not correct?", he asked Senator Johnson who was orchestrating this bill through the Legislature. Senator Johnson's response, "Yes.". Senator Ashford says, "And about 70 percent would be paying an increase in taxes." Senator Johnson's answer, "I suppose." Senator Johnson said, on April 16th, "Mr. Speaker and members of the Legislature, Senator McFarland plows the same ground that we plowed 10 days ago, raises the same issues...". He says, "Now in the interim there have been a number of senators who came to me and said, thank you, Senator Johnson, thank you, members of the Revenue Committee, for adding some money in 773. This state has starved too long for funds. Thank you for adding some money. Thank you for bargaining with the Governor so that we have money added in 773...I am glad there is more money in the system." Continuing on, Senator Hall, at one point, questioned Senator Johnson. He said, "Mr. President and members, 773 is a tax increase for about 70 percent of the citizens of this state, plain and simple." Senator Johnson's response, "Senator Hall, this bill is a revenue raiser, as you have called this body's attention to and your constituents' attention to many times now. This bill raises taxes...raises money, it raises taxes and raises money." There are a series of a number of quotes, some of them by Senator Chambers calling to the attention of the matter but I think the final question that Senator Chambers asked Senator Johnson at the time on Final Reading, he made the following simple statement. He said to Senator Johnson, he says, "Does 773 raise taxes?" Senator Vard Johnson stood up and said, "Yes". Senator Chambers' comment, "You're very forthright, thank you." For anyone to stand on this floor and say that the tax increase in 773 was unintended at this time is really either a misconception or a misconstrual of what they voted for two years ago. This bill did raise taxes and the problem we confront is, are we going...how are we going to rectify that tax increase? In my view, 739 does not do it. It makes a token gesture at it but does not achieve the goal of paying back to the citizens and the taxpayers of our state the tax increase they incurred, they had to bear two years ago when this Legislature and the Governor's office passed and signed LB 773. In the course of this debate and before, a few senators have told me that, in fact, they are not inclined, necessarily, to want to kill this bill at this time or to strike the enacting