

of tax, income tax that people pay. It would just be a matter of when they paid it. My interest in providing this is two things. One is that I certainly agree, that this kind of legislation can be phased in over two years. But, if...And that's not a problem, if you want to disregard any assumption that there will be visible property tax reduction, if any, because, obviously, over two years, with the growth that would occur, that would further dilute the possibility of any visible property tax reduction to the extent that that might occur. But it does seem to me that conceptually, at least, it makes a lot of sense to...and it's a position I've always felt, it makes a lot of sense that, if you're going to have a major shift from property to sales and income tax, that the likelihood of the favorable impact on the property taxpayers is going to be much more visible, if it's all done at one time rather than phased in. Phased in does not relieve, in the long-run, any impact whatsoever as far as increase in sales or income tax, or, for that matter, the reduction in property tax reliance, it just makes it more difficult to identify to the average citizen when it's spread over two years. Then we still have the additional problem, which I assume someone...maybe it's not a problem, of whether or not, if we have less than 33 votes, what happens to the sales tax increase. I simply don't know. And it may have no impact. Obviously, a very easy solution to both of those problems is do the income tax retroactively, do it with a surtax, if we do not do it this way. Have the property...have the sales tax adjusted October 1, then I believe that the bill would be fully funded the first year, with a very minimal additional funds beyond what the legislation requires. But, in any event, the issue, as I see it, is really very simple, whether you want to fully fund the bill, initially, so that all of the benefits as far as property tax issue is realized at one time, or whether you do not want to do that.

SPEAKER BARRETT: Thank you. You've heard the closing. The question is the adoption of the Warner amendment to LB 1059. All in favor vote aye, opposed nay. Have you all voted? Have you all voted? Record, Mr. Clerk. Record vote has been requested.

CLERK: (Record vote read. See pages 1471-72 of the Legislative Journal.) 18 ayes, 22 nays, Mr. President.

SPEAKER BARRETT: The motion fails. The Chair is pleased to note that Senator Dennis Byars has guests under our south