

keep it on vehicles. And I know this will cost a little more money to the people that buy new and used cars but I only think it's right and just to keep it there. Several years ago we passed an increase in the gas tax and this...I supported that and it is being well used. We have made a lot of improvements in our highways. We still have a long ways to go, as you know, that we have embarked on a speeded up version of constructing new highways, the expressways in Nebraska which is sorely needed. And it's not only for our school buses to travel on, it's also used for cars or station wagons or vans to transport these children to and from schools. And so I would urge you to defeat the Smith amendment.

PRESIDENT: Thank you. May I introduce some guests, please, of Senator Moore. Under the south balcony, we have Gerald Carson. Would you please stand so we may see who you are. Over here. And also with him are the parents of Senator Moore, Dale and June Moore of Stromsburg. Would you also stand? Thanks to you for visiting us this morning. Senator Warner, please, followed by Senator Chambers and Senator Haberman.

SENATOR WARNER: Mr. President and members of the Legislature, just two or three points. Through June 30th of 1991, which is the current budget cycle, the level of the variable gas tax for state purposes, of course, is set by the budget which is set through that period of time. And, as all of you know, as the variable gas tax is determined, it is reduced or the need for the variable is reduced by the amount of sales tax that is collected, in fact, the sales tax on motor vehicles over the last decade, in fact, since the early seventies has been in essence the only growth of appreciable growth that we have had in receipts. But the impact then of increasing the sales tax will be one of reducing the variable gas tax as far as the state is concerned for that period of time. Secondly, there was legislation introduced, I introduced LB 832 this year, as I introduced a similar bill last year, which was to increase the sales tax on motor vehicles from 4 to 5 percent and the reason was in order to have a committee of the Legislature, the Revenue Committee, have before them a public hearing that built the need for additional revenue in order to meet the highway program that this Legislature approved and adopted a year ago, two years ago, I guess now, and show that indeed if that road program that many people have felt was desirable for the state as a whole was to be carried out, additional revenue other than fuel tax was likely to be needed. The first four years of that program was