

meet the state's infrastructure needs. Michigan, in this article, is one that is a state in which this particular article is written, is one of the states which has similar legislation to what we currently have. It was enacted in 1979. And they, too, are making efforts to find ways, through the legislative process, to have more adequate review of those past tax policy decisions that result in, what is referred to in the article, silent spending. Most of the exemptions that we make over a period of time, unlike when we give support on the appropriation side, are not visible. If you have appropriations made, that comes under...automatically under annual legislative review. Tax expenditures, on the other hand, we essentially never see, or never give much thought to. This proposes no change whatsoever in any of those past tax policies. What it does do is provide an opportunity to maybe give it more emphasis over time. The report, instead of being made in odd numbered years, would be made in even numbered years and would be made a part of a Governor's budget report to the Legis...or request to the Legislature, even though the report would be made available on October 15th of each odd numbered year, every other year. By this change, from the current odd numbered year to even numbered year, the report will then coincide with the biannual budgets that the Legislature now sets. In time, I would hope that we can devise a system and a process where greater attention can be paid. I look on this as a very minor step toward that direction, in getting the tax expenditure report to coincide with the budget authorization by the Legislature so that they can be, eventually at least, considered somewhat together, because they, obviously, do have a related impact from time to time. With that explanation, I would move the bill again be advanced to E & R initial. Mr. President, I'd be glad to answer any questions.

SPEAKER BAACK: Senator Will, did you wish to discuss the bill?

SENATOR WILL: Yes, Mr. Speaker, thank you. Mr. Speaker, members of the body, I rise in support of Senator Warner's motion to advance LB 82 to Select File. I think it's important that we realize what we're talking about in this bill. This is a bill that deals with tax expenditures. And tax expenditures, essentially, are revenues that are lost to us because of things that we exempt from taxation, because of property that we don't tax, because of sales that we don't tax, because of income that we don't tax. And it's a fundamental tenet of a good tax system that the base should be as broad as possible and that the rate