

sitting with a 5 cent increase in the gas tax over what was anticipated for this first quarter. The passage of this bill will permit the Board of Equalization, prior to the fourth quarter of the fiscal year, commencing in April, to reduce that... anticipate... tax rate which, in turn, will reduce the cents per gallon back down to about 22.1 cents or thereabouts, but at least back down to about where it was anticipated it would be for the entire year. There was some concern that we could enact legislation that would do that prior to April 1, because the anticipated collection will be in excess of the appropriation for this fiscal year. But, because of a variety of circumstances of other reports that are done on a quarter basis, collections that are done on a quarterly basis, that it was deemed not really feasible to make that change but to enact the legislation so the change could be made for the final quarter. I should point out that the additional funds above the appropriation, which will be collected, will in return become a beginning balance for July 1, 1991, and either will be reflected in a reduced tax rate, depending upon what the level of appropriation is made by the Legislature and approved by the Governor. But it will be either utilized for a reduced, as it has happened in the past, a reduced tax rate and cents per gallon for that year, or to be used to be able to hold the same level of appropriation without any increase in gas tax beyond what would be, in effect, the previous quarter commencing just prior to July 1, 1991. With that explanation, Mr. President, I move the bill be advanced. Be glad to answer any questions about it. But the bill does permit a change by the Board of Equalization and that tax rate and authority which they do not now have under existing law. And it will provide the ability to both adequately fund the level of appropriation but have greater assurance that there will not be an under or an overcollection of fuel taxes in subsequent years.

SPEAKER BACK: Further discussion. Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, if you check your bill books, I think you'll see that I passed on the motion to advance 255. It's not because I disagree with the intent of the measure and think that it represents a positive step forward. However, I have one slight uncertainty about the measure. LB 255 changes our trigger, if you will, on when the Board of Equalization can step in to make adjustments in our gas tax. Currently, that trigger is 10 percent on either side of our needs. If we are overcollecting by 10 percent, the Board of