

introduce some guests to the Legislature. They are guests of Senator Morrissey, and there are 24 fourth grade students from the Nemaha Valley Elementary, from Cook and Talmage, and their sponsors. They are in the south balcony. Would you folks please stand and be welcomed by the Legislature. Thank you for visiting us. Mr. Clerk, LB 829.

CLERK: Mr. President, if I may right before that, just one item for the record. Report from the Department of Roads filed pursuant to statute will be on file in the office. Mr. President, 829, the Legislature discussed AM1772 this morning which is offered by Senators Hall and Will. I now have pending to that amendment AM1773, offered by Senators Hall and Will. (Hall-Will amendment appears on page 2138 of the Legislative Journal.)

SPEAKER BAACK: Senator Hall.

SENATOR HALL: Thank you, Mr. Speaker, members. This is the final amendment that I have to this amendment, at present. It deals with basically the formula for establishing the depreciation surcharge that is in the bill. It's found on page 2071 of the Journal, it reads as an amendment to LB 320. If you would turn to that page in your Journal, what you'll find is that the amendment takes and reduces the depreciation surcharge percentage from 1.75 to 1.60, so, in other words, it would be about a 15 percent or 15/100ths of a percent reduction in that. And then it changes that formula, changes that formula. Instead of using the...I think under the current system what we have is we have the sales formula, and the three-factor formula with regard to their Nebraska sales, payroll, and property. What we do with multistate corporations, in other words the large corporations in this state, what we do with those large corporations is we apportion their depreciation surcharge, under the Governor's proposal, in this way, we take and we say that 80 percent of that is going to come out of their sales in the...in Nebraska. In other words, they may be in 50 different states, may have sales in all 50 of those states. Eighty percent of the formula to determine what the surcharge is going to be is going to come out of that...only the sales that take place in Nebraska. So it could be a very large company that has sales all over the United States, and either a large or a small portion of that could be represented by the sales that take place in Nebraska. Under the Governor's proposal, the basis from which we derive what the base, in terms of value, is