

PRESIDENT MOUL: Committee amendments are adopted. I will now recognize Senator Lindsay for opening on the bill itself.

SENATOR LINDSAY: Thank you, Madam President, members of the body. LB 529 is a bill that...is a revenue bill with the...with some additional benefits to it. LB 529 would impose a tax upon campaign committees. That tax...the committee amendments reduce that tax to roughly the equivalent of the combined federal and state corporate rates. If we look at what's happening today in campaigns...look at our own campaign committees...look at the campaign committees for...for governor, for...for auditor, for lieutenant governor. We're not talking about the campaigns where it's a bunch of people getting together and...and painting signs themselves. We're looking at businesses. These campaign committees anymore are businesses which often times exceed the size of many of our small businesses here in the state. The difference is that we are exempt from taxation. Any other small business in the state of similar size is not. It has to pay taxes. What this bill would do would be to impose a tax on excessive campaign spending. The...excuse me, on...on campaign income. The...in this area, we do run into problems with the Supreme Court case of Buckley v. Valeo. We think that this is allowed under Buckley v. Valeo because we don't put any limits on what people can spend. I emphasize that. There are no limits on what people can spend. This...this would not limit it. This simply says when you reach certain amounts, the excess over that amount would be subject to a...to an income tax. The committee would be subject to an income tax. Those amounts...we took the amounts that were arrived at by a...a task force which included Republicans and Democrats, which set the amounts they thought would be acceptable spending amounts for the particular campaigns. For example, in a gubernatorial race, it would be allowed \$1 million of exempt income before the tax would kick in. For Lieutenant Governor, Secretary of State, Attorney General, Treasurer and Auditor, it would be \$150,000. For members of the Legislature, \$50,000. For some of the other statewide candidates...statewide offices, Public Service Commission, Board of Regents, Board of Education, it would be 25,000. Now that amount would be allowed...for each of those races, would be allowed to be spent...or raised, excuse me, without incurring any liability. Above that amount, it would be taxed at, as I mentioned, at a rate roughly equal to the...the combination of corporate federal and state income tax rates. Right now, we do not have a federal income tax in this area. The intention would be that if the...if the feds started taxing