

PRESIDENT MOUL: One minute.

SENATOR WARNER: If you wanted to establish an aid program that would have a distribution formula that...that was constitutional, I assume you can expand aid to local governments under a variety of...of distribution formulas, so, in a general sense, the answer is yes.

SENATOR SCHMIT: I think perhaps it might be that if the taxes were reimposed, that the state could well become liable, based not upon any aid program, Senator, but upon the value of the personal property located within the various subdivisions, multiplied by the levy and therefore it could become an obligation of the state, since the state entered into the contracts which took that tax or that revenue away from local subdivisions. I have one more question.

PRESIDENT MOUL: Time.

SENATOR SCHMIT: I'll have to wait for another time.

PRESIDENT MOUL: Thank you, Senator Schmit. Senator Lamb. Senator Lamb. Senator Schellpeper, followed by Senators Moore, Lindsay, Withem and Hefner. Senator Schellpeper.

SENATOR SCHELLPEPER: Thank you, Madam President, and members, I rise to support this amendment. I think if the Legislature really wants this constitutional amendment to pass, you have to have this writing in it. If you don't, it's going to be devastating to Nebraska business and agriculture. I passed out a list of the Midwest Messenger, and you can see by the amount of the farm sales that the ag economy is in very bad shape in Nebraska. They cannot afford to be worried about their inventory going back on. They cannot afford to have any additional personal property taxes. So an amendment like this is really needed if they're going to support the constitutional amendment. And without something like this the amendment will not pass the voters and then we'll have the worst of all worlds which is inventory goes back on. Senator Hall is right, the cattle did not come into Nebraska this year and they won't come into Nebraska as long as you're...as they have to be worried about an inventory tax. We just can't penalize business in Nebraska that way. We're saying, come into Nebraska and do business here but we're going to penalize you by taxing you and