

amendment was then developed which established the refund at the full 5 percent and also the tax that dealt with fertilizer. The effect of those two amendments created the cash flow because there was an estimated 14.6 million reduction in state receipts by virtue of the refund on new and used farm equipment. Part of the discussion then that was held on the floor as the amendment dealing with the fertilizer and changing the refund to a full 5 percent was how will that shortage to the General Fund be made up. And what was proposed to the body that was the amendment that would be coming is what Senator Landis has introduced. And then you will recall that in LB 1268 we transferred \$4.5 million to...from the Cash Reserve Fund to the General Fund for the purpose of taking care of the initial cash flow issue. The concept that was discussed then on 1063 was that this tax for two years which goes to the General Fund would provide the revenue that permitted the reimbursement of the Cash Reserve Fund to occur over that two-year period. As I understand the estimate, this is about 2.2 million and then over the two years that, in effect, will permit the reimbursement of the General Fund...of the...from the General Fund to the Cash Reserve Fund with no adverse impact on the General Fund. And the choice that those who sponsored the amendment to change LB 1063 as far as the energy tax and the level of refund on sales tax had stated that this would be the option that would then be used. So I would support the concept and the Landis amendment as it fulfills what the body had explained to it when LB 1063 was before us.

SENATOR CONWAY: Thank you, Senator Warner. Senator Crosby, you're next, please.

SENATOR CROSBY: Thank you, Mr. Chairman, and Speaker, and members. Senator Landis, may I ask you two quick questions? Was this a bill? I'm sorry, I didn't hear your opening, I didn't hear all of your opening.

SENATOR LANDIS: No.

SENATOR CROSBY: It was not originally a bill? You just...well, okay, so...

SENATOR LANDIS: I would...

SENATOR CROSBY: What I want is...go ahead.