

to be tax measures that we had passed one time previously, or something similar to that, not the same, but something similar. We did that, we did that in a very heated debate at a time when we had little option, and we have debated subsequent to that a whole myriad of issues as they related to personal property. We were unable, at that point in time, to, some of us, take personal property tax off the rolls. There has been a subsequent constitutional amendment that has passed since that debate took place that, I would think, allows the Legislature the ability to exempt all personal property should they choose sometime in the future. My position on that remains the same, that personal property is not a viable tax base for local subdivisions, period. But, under the circumstances that we are at now, we have a very short window of opportunity to put in place prior to the '93 session the revenue measures necessary to plug approximately another \$100 million that sits out there waiting for us. If we don't do that, it is very likely we could go into the January session looking at not 140 to \$150 million of revenue shortfall, but very likely 230 to \$240 million of revenue shortfall. The only options there at that point in time is to do probably a couple of things. One is you cut the budget, and when you cut the budget, you are going to cut state aid. You are going to have to cut state aid dramatically. That means real estate taxes will go up because, unfortunately, subdivisions of government will not turn around and match our cuts. And, secondly, you are going to do what Senator Hefner proposes in LB 5, and that is to raise general sales and income taxes. After the vote this morning, I was extremely tempted to come down to the Appropriations Committee, especially after I looked at the way some of the members of the Appropriations Committee voted on this measure this morning when we tried to advance the bill, although some of them were very supportive of it, and I appreciate that, come down and testify in support of Senator Schmit's bill, because if we do not address the revenue side of things in this overall equation that we are dealing with in our budget, then we are going to have no option but to look at the Loran Schmit kinds of ideas where you shut down state government, so to speak, to the tune of 100 to 200 to 250 million, depending on what we allow ourselves the options to do. Here is one option that really only buys us some breathing room. It does not and doesn't mean a long-term solution. It is not long-term relief. It is not meant to be at this point in time, but we save ourselves...

PRESIDENT MOUL: One minute.