

November 10, 1992 LB 1, 2

for seven days, unless you introduce an A bill to begin with, you would not meet your constitutional requirement. And so this motion is, basically, making LB 2 the appropriation bill for the entire session, is what we are doing. There are two components and it is going around now, and these are the numbers given to us by the Department of Revenue. And, basically, what you will see as you look at this, there is basically two components to this amendment. The first one is the simple cost of granting the refunds. It is estimated that if all 90,000 people who are eligible for the refund pursuant to the point of getting a check, an actual cash refund, the cost is up to \$300,000, \$200,000 in fiscal year 1993, \$100,000 in '93-94. Now, obviously, we do not know how many of those 90,000 people will actually go to that extent. Obviously, possibly the bulk of that will be taken care of in LB 1 as it is written. And so \$300,000 of this cost simply you can thank the Supreme Court for, and that is the cost when they mandated, in the Bahensky case, that we refund this \$97 million in taxes to the taxpayers in the State of Nebraska, the cost of a simple refund is about \$300,000. That is what the first part of the amendment is, is to deal with that component. Now like I said, that's the cost of just simply doing the refund, and that is if all 90,000 people actually apply and get a refund, and are not taken care of through the credit process we created in LB 1. The second part of the amendment, in LB 1, obviously LB 1 implements a credit mechanism and then changes the interest rates and, basically, these changes, the Department of Revenue I am told, at least, has a somewhat antiquated computer system, and it is somewhat costly to change a lot of those things, and this dollar amount will make all the proper changes for those two entities. Now the one thing, obviously, I am not going to sit here and say you have to pass this bill now and, obviously, it could be taken care of through the deficit process, but it is my opinion, and we know that the refund component of LB 1 is going to cost some money, we certainly know the actual cost of the change in LB 1 is going to cost some money, I, myself, maybe am not totally comfortable with the dollar amount, it may be a little high for my blood. The one thing I am going to do is to write a letter to the Tax Commissioner requesting, or we could put it in the intent language requesting as this money is spent, we want to know exactly how it is spent. Obviously, if it is not all spent for these purposes, I, for one, want to pursue lapsing some of that appropriation at the end of year after next. I want that to be documented, but up front, it is probably...it is assuming that everybody takes advantage of it. I don't think it will