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into it. We're having a little...a few complications.

SENATOR BEUTLER: Okay.

SENATOR CUDABACK: Bear with us. Thank you.

SENATOR BEUTLER: Is that better, Senator Hudkins? All right. But I did want to respond a little bit to Senator Friend, and I respect the fact that he's coming at this from the point of view of the taxpayer, or at least from the point of view of some taxpayers or from perhaps what is a part of the point of view of almost every taxpayer. But there are certain things that I want to give a greater and a different dimension to because I don't think that the problem of the Legislature in the 1990s was entirely an expenditure problem and, furthermore, to the extent that it was an expenditure problem, it was in the area of mandated expenditures and in the area of property tax relief. First of all, it was, in part, a revenue problem and has been a continuing revenue problem. And we have mentioned these things from time to time but perhaps they need to be mentioned again and again. But Internet and catalog sales on the side of products has depleted revenues for the state of Nebraska very significantly. In fact, just again in today's paper there was another study that indicated Nebraska had lost at least \$70 million to Internet sales and that those losses were going to multiply in the coming near future as Internet sales became more...become more and more expansive. That \$70 million didn't even include catalog sales. If you put those two types of things together, the half-cent sales tax increase that we're talking about or the income tax that we're talking about, a very significant portion of either of those would go just to cover the lost revenues from Internet and catalog sales. Besides that, we have no way of measuring, but we know that it's true, that the sales tax has been less and less on products and more and more...that the economy has switched less and less from products to more and more on services. And as that has happened, to the extent that we have not expanded our base to cover those services, we continue to lose the base of our sales tax. So the problems have been on the revenue side as well as on the expenditure side. Now on the expenditure side, the major part of the problem, if there is a problem, is that we have