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LB 440, 759

SENATOR CUDABACK: Senator Brashear to open on your amendment, AM1785.

SENATOR BRASHEAR: Mr. President, members of the body, I...obviously, I'm cosponsoring AM1745 with Senator Landis, and I do urge its adoption. I've decided that this is the place procedurally where we have an opportunity to see what we want to do with this single-package approach. And so that's why I'm offering these amendments. This amendment and the following amendment will make AM1745, which was originally a cleanup amendment, as Senator Landis described it, into a comprehensive amendment to the bill, and will begin to get LB 759, in my opinion, in the shape and in the form that I would propose that it go forward. First, these amendments incorporate the amendment by Senator Landis, as he described it. Second, the amendment would add some of the provisions of LB 285 proposed by your Revenue Committee, most significantly, the increase in the sales tax rate to 5.5 percent on a permanent basis. And third, it would further amend and clarify provisions relating to the taxation of contractor labor. With regard to the sales tax rate and permanently increasing it to 5.5, I have touched on that somewhat in prior discussions with you. And I intend to touch on it again, but not to belabor it at this point in time. We've all now had enough of an opportunity to work together with regard to revenue that we simply recognize that that \$175 million figure that results from the half-point increase is simply, in my judgment, my personal judgment, a reality of the moment. That change will allow this bill to become...to again move forward as a complete package. The portion of the sales tax rate on motor vehicles over and above the 5 percent rate would go to the General Fund and not the Highway Trust Fund. That's a concept of...with no malice toward the Highway Trust Fund that's been talked about over an extended period time, and not having an unplanned or unintended windfall there. The amendment would also harmonize the cigarette tax portions of LB 759 with LB 440, offered by Senator Thompson regarding the transfers to the MIRF fund. Now, we've already had considerable discussion, and...but I feel the need to, in some detail, talk about the amendment with regard to contractor labor. And I'm going to be efficient and utilize my time. If we're going to