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LB 407

SPEAKER BROMM PRESIDING

SPEAKER BROMM: Thank you, Senator Brashear. Senator Kruse.

SENATOR KRUSE: Thank you, Mr. Speaker and members. If I understand Senator Brashear's amendment correctly, and that's always a question in here I think, I would oppose it. and that's...I'll focus on the word "windfall." If we broaden the tax base, this is not an unanticipated windfall to our cities. Was on the expectation that the tax base would be broadened that city leadership that I'm well-acquainted with let it go without a fight. We have cut aid to cities very heavily, and last week we cut it another \$6 million. They assume that part of that could be healed by a broadening of the tax base, and on that basis they have agreed to be quiet about it. On that basis they assume that if you're patient and wait for the whole, you will be made whole somewhat. That not (sic) happen to anybody in this process. But at this point I would oppose that kind of a recovery for our cities that have sales taxes. Thank you.

SPEAKER BROMM: Thank you, Senator Kruse. Senator Stuthman.

SENATOR STUTHMAN: Thank you, Mr. Speaker. Members of the body, I have...I want to bring up this portion of the windfall. Yes, there will be a windfall if this sales tax on this broadening portion of it is enacted, and that will go to the cities. The cities would be the only one and Senator Brashear has made a reference to that and a possible, you know, refund to the state. I see real problems coming with this. And the other issue that I'm really concerned with is the windfall to the cities. Where in the world are we going to get something back to the counties that we're taking away for assistance and aid to the counties? Where is that ever going to come from? I don't know. I see where this is a real potential for cities to get a real windfall, but the mechanism of it is going to be a nightmare to get this refunded back to the state because of that sales tax charged on the possibility of labor, labor on construction, labor on repairs. How is that...how is that going to be differentiated in the city bookkeeping system of it? How is that all going to be taken care of? I just have a real problem with that at the present time, but I'm willing to listen. But I