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LB 622

equalization formula resulted in a greater benefit to the smaller cities. And I got to tell you, the...we met with a group of cities yesterday, Kearney and Lincoln and Omaha. There's no money that's being hidden or rat holed. In fact, sales tax revenues are flat. I think Lincoln's sales tax revenues are up a bit. But Omaha's are down, even after we've...the last half-cent sales tax increase. Their sales tax revenues are down about a half a percent. Sales tax are flat all over Nebraska. I think we all understand the economic condition that we're in. And so any opportunity to enhance revenues is flat at best. It's true that the 129 of the 532 cities and villages in Nebraska have a local option sales tax. And they should receive...I think we're projecting about \$16 million more, due to the limited expansion of that sales tax on services. However, in most cities, again, the sales tax is flat or declining. Many cities are reporting that even with the expansion, they've not seen an increase in their sales tax receipts. By the way, sales tax dollars, in fact, are under the lid. They're not outside the lid. And these tax dollars are restricted funds. And everyone recalls that we have a 2.5 percent cap, or lid, on spending. And consequently, any additional sales tax revenue would go to lowering property tax. It isn't spent. It's not taken outside the lid. It's put on a...

SENATOR CUDABACK: One minute.

SENATOR MINES: ...property tax relief. So I would, again, thank Senator Janssen for the time. I would urge the members of this body to support the amendment. And thank you very much, Mr. President.

SENATOR CUDABACK: Thank you, Senator Mines and Senator Janssen. You've heard the opening on the motion to return LB 622 for a specific amendment. Open for discussion on that motion. Senators wishing to speak are Senators Mines, Raikes, Landis, Schimek, Johnson, Jones, and Hartnett. Senator Mines waives his opportunity. Senator Raikes, on the motion to return.

SENATOR RAIKES: Thank you, Mr. President and members of the Legislature. This is an issue we have discussed. We discussed