TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE Transcriber's Office FLOOR DEBATE

March 30, 2005 LB 753

got their attention, and it should have, because we kind of jumped into it. Did we need to do it? Probably. We need revenue. I don't think I probably agree with Senator Stuthman all the way that we should replace this or do away with it. Remember, if we do away with this, we're going to be short whatever, \$50 million give or take \$10 million. We got to replace that some other way. When you take away, you got to replace. So what are we going to replace it with? I don't know. But anyway, we probably need this, but we're going to have to overhaul it step by step. Senator Landis says it will do one thing. Maybe we do one thing now, one thing later, one...you know, but we got to work on this because it probably wasn't fair, as pointed out earlier by Senator Redfield and several others. People got my attention. They really, really did. And, of course, it don't take much to get my attention, as you know. But anyway, I support this, and anything we can do to make it better, hey, I'm all for it. Thank you, Revenue Committee and Senator Bourne.

SENATOR SCHIMEK: Thank you, Senator Cudaback. Senator Beutler, for debate on the committee amendment.

SENATOR BEUTLER: Senator Schimek, Senator Landis, just a quick question, if I could. I think I understood all of your explanation. The part that I didn't get is that there appears to be one part of the amendment that applies to things that occurred prior to October 1, 2003, which was the effective date of LB 759, and that part has to do with the Option 2 and Option 3 contractors. So we've pushed the date back, as you have described, for the bright line, to October 1 of 2003, the effective date of LB 759, and that was done because LB 759 created confusion, which I can understand. Now, relate for me what this provision relating to Option 1 and Option 2 contractors prior to LB 759, how that relates to the explanation that you went through.

SENATOR LANDIS: The bill and the committee amendment now waives claims for disputes prior to that time as well. Contractors would argue they weren't subject to taxation or, if they were, that it was a surprise to them because contractor regulations did not make reference to that. The Revenue Department will say