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

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here, and I think that there's something that we need to consider. I think we need to talk out the issue of whether or not...should there be tax cuts and if so, how much, and I think this is appropriate to be discussing it at this time. I'm not really particularly alarmed at the ... at the budget matter as Senator Beutler has expressed it. If we look at the ... what's called the green sheet and what he passed out, you will look at the estimated revenue that's shown on line 36 and, as you will see, in '04-05 we had 9.5 increase in revenue; currently, 7.7 percent increase in revenue. The average has been 5.1 percent, 5.2 percent, in that area. But if you look further out, you will see that the reductions that are taking place, and the increasing the amount of the size of our budget package that remains, is reduced remarkably. And why is that done? done because the Fiscal Office ties this all to an historic average and, historically, as I've said, it's 5.2, and we've been at the upper levels of that, almost double at times. you look what they've had to do and what they do always, and the reason that I'm never terribly shocked at the fact that it shows that we don't have as much money in the out years as we would like to have, we've never had \$500 million in a reserve, never, and if we did, we'd probably do some things that we shouldn't. We would probably spend it in ways, thinking that we have extra money. I think that we have done, on the appropriations process, as good a job as I think we could do under the circumstances. I commend the Revenue Committee for looking into the issues that are really scorching people; the issues that, as far as the farmers are concerned, the amount of valuation of their property. The...probably I've had more complaints about the remodeling tax than any other thing I've ever heard of, unless it was that fertilizer tax when I first got in here. They hated that one, too. But this one is one that everybody is concerned about. And I think we also have a problem, and I think that Senator Redfield is addressing that issue in this discussion, and that is certainly certain of the brackets that have been somewhat penalized, and I think we're paying a price for some of that penalty and I think we have an opportunity to look into that. So for those reasons, I think it's premature, frankly, to be bracketing this issue, saying should we have a tax cut or shouldn't we have a tax cut. I don't think that's theoretical. When I first started hearing what the Governor was