



Ninety-Ninth Legislature - Second Session - 2006
Committee Statement
LB 904

Hearing Date: March 1, 2006

Committee On: Revenue

Introducer(s): (Baker, Brown, Connealy, Cornett, Fischer, Janssen, Loudon, Smith, Dw. Pedersen)

Title: Change the distribution of certain sales tax proceeds

Roll Call Vote – Final Committee Action:

Advanced to General File

X Advanced to General File with Amendments

Indefinitely Postponed

Vote Results:

6	Yes	Senators Baker, Connealy, Cornett, Janssen, Landis and Preister
2	No	Senators Raikes and Redfield
0	Present, not voting	
0	Absent	

Proponents:

Senator Tom Baker
Kathy Campbell
Pat Gorup

Michael Nolan
Sam Olson
Dwight Trumble
Tim Keigher
Larry Dix
Gary Krumland
Lowell Johnson
Loy Todd

Representing:

Introducer
Nebraska On The Move
Lyman Richey Corporation,
Nebraska Chamber of Commerce & Industry,
Greater Omaha Chamber of Commerce,
Nebraska Trucking Association
City of Norfolk
NE Chapter, Associated General Contractors
Nebraska Farm Bureau Federation
Nebraska Petroleum Marketers Association
Nebraska Association of County Officials
League of Nebraska Municipalities
City of Wayne
Nebraska New Car & Truck Dealers Association

Opponents:

None

Representing:

Neutral:

None

Representing:

Summary of purpose and/or changes:

LB 904 would amend section 77-27,132, dealing with the distribution of proceeds from the state sales tax, to terminate the current law requiring any state sales tax collected on motor vehicles that is in excess of five percent to be deposited in the General Fund and not the Highway Trust Fund. These provisions would be terminated on October 1, 2006.

Explanation of amendments, if any:

The Committee amendments would change the redirection of the one-half cent of sales tax levied on motor vehicles to the Highway Allocation Fund instead of the Highway Trust Fund as proposed in the original bill. The Highway Allocation Fund proceeds are distributed equally between cities and counties. The amendment would also amend the section that establishes the Highway Allocation Fund, section 39-2401, to authorize receipts from this source. This change would be operative October 1, 2006.

Senator David Landis, Chairperson