

January 31, 1979

LB 84

PRESIDENT: I think you had better speak now because I am going to call on Senator Carsten to close.

SENATOR DWORAK: Okay, thank you. Mr. President and colleagues, Senator DeCamp, who always cloaks himself as a fiscal conservative, his true liberalism comes out. I think we have to assess two philosophies that have been presented on the floor this morning on this particular amendment. If these interest rates, what is the reason for the interest rates? If they are to help people who cannot afford to pay their taxes, which is the philosophy Senator Burrows and Senator DeCamp has espoused, then it becomes a welfare situation. Now I am not opposed to that but I am opposed to this type of program as a conduit for welfare services. That is not the intent of this. If Senator DeCamp wants to provide some kind of welfare benefits for those people that cannot pay their taxes, I think there is a way to do that but I don't think it is within the purview of this bill. The other philosophy that has come out is punitive. In other words, we are going to make this interest rate so darn high that we are going to punish those people for not paying their taxes and I don't think this is the proper place to put in punitive damages or incentives to pay the taxes. I think what this is is a fair return to the taxpayers of the district for the use of their money, and if Senator DeCamp doesn't pay his property taxes and he decides to use that money, then those taxes, those taxpayers should be rewarded or compensated for the use of that money and the use of that money now is the prime rate. Now I think there is real good merit to tying this to the prime rate so this is flexible and adjusts with the cost of money and I would support that amendment on general file. This is not the place to do that but I think the point of the matter is that 11% is one heck of a lot closer to the cost of money today than 9% and that is why I am asking you to reject these committee amendments. If you agree with me, and I would like to ask your attention here just one minute, if I can have the body's, a question. Senator Merz, I know you won't understand this, if I could have your attention a minute. A red vote, a red vote is going to put the interest rate at 11%. A green vote is going to put the interest rate at 9%. Just so we understand how we are voting on this because I don't have a positive amendment up there. I am asking you to reject the committee amendments which means 9%. So remember that, a red vote puts it at 11%, a green vote puts it at 9%.

PRESIDENT: The Chair recognizes Senator Burrows.