

April 10, 1979

LB 44

SENATOR GEORGE: I think I would rather like to talk to the bill once the amendment has been taken care of.

SPEAKER MARVEL: Senator Newell.

SENATOR NEWELL: Mr. President and members of the body.

SPEAKER MARVEL: We are on the Wesely amendment.

SENATOR NEWELL: Yes. I rise to talk about the Wesely amendment. I can't quite decide whether I favor it or oppose it. It certainly if you look at it is not quite justifiable in that I think we need to get a little higher than the \$26 that Senator Wesely is proposing if we are going to in fact try to make a wash so that the state does not profit from taxing people on food. Of course, that has really never been our desire to have it a wash and to be fair. We have always seen this issue as a revenue raising issue and, consequently, we have benefited from that. We have been able to spend those monies and, basically, I think that has been a wrong expenditure of dollars to use those kinds of monies that basically should be in fact given back to the citizens of the State of Nebraska to offset the regressive nature of the sales tax on food. One of the greatest arguments, and Senator Haberman makes this argument frequently and often, one of the greatest arguments against eliminating the sales tax on food is it is going to cost money. Senator Kelly says it should never cost money because we are giving people back what they pay in except for those people that are not smart enough to ask for the rebate or the credit. Those people may be too poor or not well enough informed and they shouldn't deserve it anyways because we know only those who can read and write and benefited from our great educational system are deserving of these kinds of monies. Now there are some who are very sincere about the replacement question and I think we can deal with that if the Legislature only would but many are not interested in dealing with the replacement question. Senator Haberman has frequently offered this very key question. Where are you going to come up with the funds and how much is it going to be and how much is that going to be on the sales and income tax? Well, everybody answers Senator Haberman very simply by saying, Senator Haberman, we don't know. We don't know as most of us don't know exactly where this budget is going, what decisions we'll be making, what priorities we will be making and so forth. Those priorities, those costs, those projected revenues are still imponderables. We have only guess and guesimates. I would like to ask Senator Haberman a question.