

January 21, 1980

LB 16

SENATOR NICHOL: Well now I am a little confused. Are you going to hold this up until a replacement of some kind is made for the City of Omaha before you try to push this LB 16 through?

SENATOR NEWELL: Senator Nichol, I didn't mean to confuse you. I guess the answer quite frankly is, no, and the reason again as I tried to explain is then we get caught up in the debate of what kind of replacement tax and so forth. That actually detracts from this bill. What I am planning to do is offer some time before the implementation of this bill to then find the replacement tax.

SENATOR NICHOL: Thank you. You are saying, so, City of Omaha, you get along with four million less or six million less, whatever it amounts to and just put up with that. Is that what you are saying?

SENATOR NEWELL: No, Senator Nichol, I am saying that I have an amendment on the desk that would delay the implementation of this bill for until 1983, July 1 of 1983, which would allow three legislative sessions for this Legislature before the elimination of sales tax on food would take place, for this Legislature either to repeal this bill or to find a replacement tax. So the City of Omaha will not be out of money. We are going to delay the time in which this would take place and simply because offering a replacement tax at this time would further bog this bill down and I don't think this needs any extra weight.

SENATOR NICHOL: If your amendment doesn't pass that replaces this, will you still be in favor of LB 16?

SENATOR NEWELL: Certainly.

SENATOR NICHOL: So in that case then, you would be saying to Omaha, paddle your own canoe, even the matter of whether it is four or six million, that you won't have to get along with and if inflation continues at the rate it is, this may be even considerably more at that time. Isn't that correct?

SENATOR NEWELL: If this amendment does not pass, there certainly will be a lot of assistance by the City of Omaha, Lincoln, Bellevue and North Platte to help find replacement revenues.

SENATOR NICHOL: Okay, thank you.

PRESIDENT: The Chair recognizes Senator Chambers.