

ought to do some things because they are right. When we decide to run for office we often try to portray ourselves as moral principled people but our votes give the lie to much of what we say and I think this once if never again we ought to vote the kind of morality that is talked about so much on the floor and prayed about every morning.

PRESIDENT: The Chair recongizes Senator Labeledz.

SENATOR LABEDZ: Thank you, Mr. President. I would like to ask Senator Newell a question.

PRESIDENT: Senator Newell, will you respond?

SENATOR NEWELL: Yes, Senator Labeledz.

SENATOR LABEDZ: Senator Newell, I would say to eliminate the sales tax on food would be great but I know we have to come back with an alternate tax, possibly a sales tax on services which I will always oppose. Now if we don't come back with something like that, isn't it a possibility that the City of Omaha, the City of Lincoln, or many others would have to come in with an increase in the mill levy on the property tax?

SENATOR NEWELL: Senator Labeledz, as you well know, you are very familiar with the city's situation in terms of finances and revenues, the city presently is looking for alternative sources of revenues. In fact, much often discussed is an earnings tax and consequently it is highly possible that if there is no changes in the city's revenue sources that they will be looking for that kind of tax replacement in the near future whether we eliminate the sales tax on food or not. Now I have the three year delay mechanism which I talked about earlier and it is actually a four year delay mechanism from today but gives us three legislative sessions to come up with that. Now in terms of the sales tax on services, that is one option. There are numerous other options, Senator Labeledz, some things that you have pointed out. Well I don't want to get into the options because that really detracts from the issue of the elimination of sales tax on food. The situation is that it is not my intention and I have indicated to you privately and to this body publicly to leave the city high and dry. The problem is simply this, that if we are going to eliminate the sales tax on food we cannot offer a replacement tax at the same time we do this because then we create more opposition to the bill instead of less and lastly but not leastly, is that we do not presently have the cooperation from those local governmental