

March 13, 1980

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our highways, repairing the highways, building bridges. Many states are considering an increase in their gasoline tax or sales tax on fuel. I believe there are about twenty-eight states presently considering an increase in the fuel tax. South Dakota has passed an increase of three cents over their present nine cent tax. Vermont is placing a three percent sales tax on their retail level. Many states are considering an increase in the registration, drivers license fees and other tax dedication. A year ago last fall I attended meetings with the Highway Commission as a member of the Transportation Advisory Committee and we had hearings. The meetings I attended were in Wayne, Ainsworth, Broken Bow, Cambridge and Bridgeport and at all these meetings there was a large number of people testifying that there is a need for improving our roads, paving, those gravel highways that aren't paved and people from the cities were telling us that they need to have their streets improved. Now Lincoln has a problem. Omaha has a problem. I think we need to keep this formula fifty-three and a third percent for the state, twenty-three and a third percent for the counties and twenty-three and a third percent for the cities. So I move that this amendment be adopted.

SPEAKER MARVEL: Senator Hefner.

SENATOR HEFNER: Mr. President, members of the body, I rise in support of the two cent increase in the gasoline tax. We have seen in the past year or two that the consumption has dropped. I think last year it dropped approximately eight percent and it is estimated that it will drop another eight percent this year so that will be sixteen percent in the past two years. One penny in Nebraska will raise approximately nine to ten million dollars. Two cents, therefore, would raise between eighteen and twenty million and, of course, the proceeds from this would go into the highway trust fund which is divided fifty-three and a third percent to the State Highway Department and twenty-three and a third each to the villages and cities and the other twenty-three and a third to the counties. In my particular area, the counties are hard hit. We have had some bad winters up there. Their road fund is depleted and they need the money very badly. Also they are going to have to replace a lot of bridges, and of course to build bridges costs a lot of money. Also these roads need maintenance and I believe that if we would raise this two cents why it would do a good job and they would be able to keep up with not only the new construction but also the maintenance. Therefore, I would urge you to support the two cent increase.

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