

May 4, 1981

LB 3

SENATOR CLARK: Senator Goodrich, would you like to open on the amendment until Senator DeCamp gets warmed up?

SENATOR GOODRICH: I looked at the agenda and I thought we were about three or four down. Anyhow, the DeCamp amendment is the one that I have talked to a number of you about, and what we are doing is replacing...with the DeCamp amendment we are replacing the committee amendment, and the reason I am proposing we do that is that the way the amendment reads now, the bill literally reads now with the committee amendment on it, the Nebraska manufacturers are excluded from the benefits of the bill unless they meet two criteria, one of which is they have to build an expansion on their plant or build an entirely new plant starting after July 1, 1981. They also have to change the product that they produce. So if you got New Core Steel of Norfolk, for example, they would have to go into some other product line in order to take advantage of the particular bill, which is the exempting of the sales tax from the purchase of manufacturing equipment. Now, we let a foreign corporation come into Nebraska and when I say foreign corporation I mean literally a foreign corporation from Japan or Germany or somewhere like that, or a corporation that is not a Nebraska corporation. They are both known as foreign corporations but a different context of the word. We let them come in and we give them the benefit of the bill but we do not give it to Nebraska manufacturers. Also, the fact that the Nebraska town, we'll say...give a specific town, any town that you want to name, for example, if they have an existing building that they want to promote an industry into their community because they've got an empty building that some industry did fail or something like that, and they could take advantage of that empty building and fill it up with a job producing industry, they couldn't get the benefits of this bill. So it's for that reason that I am proposing or Senator DeCamp and I are proposing that we go back to the amendment found on page 1342 of your Journal that says in essence that if you build a new plant, if you expand your plant, you get the benefits of the bill. Even the Nebraska corporations would have the benefits of the bill. But on page 1342, if you read that amendment, you will see that we have excluded from the benefits of this bill the replacement of worn out equipment. In other words, if I am a manufacturer and I have got a lathe setting here and I have got a man running that lathe, it is worn out and I have to replace it with a new lathe, you don't get the benefit of the bill. Neither the new manufacturer nor the existing manufacturer would get the benefit of