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of the State Board to make the necessary adjustments makes it imperative that the Legislature take over the responsibility of setting the tax rates and keeping our state in a sound fiscal situation. It appears that we can have leadership out there that doesn't understand they have to take the dollars to pay the bills. What most people learn in grade school that you have to cover expenditures and balance a budget in one way or the other and that when you appropriate \$750 million you have to devise rates of taxation that will take that much money and that you cannot spend \$9 million a month more than what you take in. I feel that the last year has made it obvious that the Legislature had better take over the finance of state government. We have had revenue staff that made predictions that made it obvious that rates had to be raised. The cash flow situation has taken place for a year and a half. Four years ago the State Board of Equalization voted 3-2 to raise the rate to 18 percent going into the four-year period leaving us up till about 18 months ago a very plush situation in revenues and general fund balance in the State of Nebraska. That vote came with a 3-2 political vote with the three Republicans on the State Board of Equalization outvoting then Governor Jim Exon and Bill Peters three to two to raise that rate to 18 percent because at that time there was a split opinion as to the need for a full 18 percent. Had we operated with a more moderate tax all the way through and kept a reasonable reserve in our state, we would not be going into the cash flow problems where we are going to be short of the money to pay back income tax returns, to pay back that money that belongs to the citizen that overpaid his tax. I think it is high time that the Legislature look at it straightforwardly and take over the responsibility of setting these rates because it has been proven that you can get irresponsible action from the Executive Branch and run us into deficiencies that cannot be tolerated by a state that by Constitution prohibit us from going into debt. That makes it even tighter and the need for some reserve and a real sound spending program and the Legislature must take it over. I urge you to support the Newell amendment. Thank you.

PRESIDENT: The Chair recognizes Senator Lamb. All right. Senator Warner. Senator Warner, did you wish to speak to this?

SENATOR WARNER: No.

PRESIDENT: Senator Fowler. Okay, Senator Warner and then Senator Fowler.

SENATOR WARNER: I thought I was the only one.

PRESIDENT: Go ahead.

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