

SENATOR V. JOHNSON: Mr. Speaker and members of the body, I rise in opposition to Senator Warner's amendment. Now he is raising with us a policy question that is worthy of discussion. Today our sales tax on clothing, on furniture, on utilities, on anything we buy goes to the general fund with one exception. When we buy a car, when we buy a car the sales tax goes to the highway trust fund. It goes into a cash fund program and that has been happening at least since 1969, if not since 1967, where the sales tax on the automobiles goes into the highway trust fund as opposed to the general fund. And my recollection, I am doing this now from memory, but my recollection is that that amount today is about 30 to \$35 million that goes into the highway trust fund from the sales tax on cars as opposed to the general fund. So what we have done in LB 38, the committee amendments, we have said if we increase the sales tax from its current level of 3.5 percent to 4.5 percent, if we simply increase it to put the money into property tax relief, that bit of increase in sales tax on cars is not to go to the highway trust fund but it rather goes to the property tax relief fund. In other words, we didn't disturb the current allocation of the sales tax on cars from the highway trust fund. We let it go there. But we simply said, look, if we are going to have a sales tax increase for the sole purpose, for the sole purpose of funding property tax relief, then doggone it we ought to be able to use all of that sales tax increase, including the sales tax increase on cars for property tax relief. Rather than have the money go into the highway trust fund, that increase money go into the highway trust fund, it goes in the property tax relief fund. Senator Warner says, no, I want that increase to go to the highway trust fund. If it does, it just turns out to be a windfall, a windfall for highway construction. I think it is time that we have a...not a windfall but a hard fought, hard hitting, earnest property tax relief program for all of our taxpayers in our state and we need that bit of money for that purpose. I would oppose Senator Warner's amendment.

PRESIDENT: Senator Lamb. We are speaking on the Warner amendment to the Revenue Committee amendments. Senator Lundy is up next.

SENATOR LAMB: Mr. President and members, I knew that Senator Warner was going to introduce this amendment which would require or would take away from the bill a little over