

3 1/2 percent tax. LB 662 which will go into place next year has a 1 cent increase in it so that is 4 1/2 cents, 4 1/2 cents and 1 1/2 cents makes 6 cents. That will become a fairly significant sales tax bite for taxpayers in our state. The first and second class cities did not make a case. They did not make a case of dire necessity for this sales tax authority, and if we pass this bill, if we move this bill, we, in effect, are countenancing further erosion, further loss of integrity in the state's sales tax base, countenancing situation as usual in our cities, countenancing further growth, not requiring our cities to come to grips with the need for retrenchment, and we make a mistake.

PRESIDENT: Senator Schmit, are you around. I don't know if you wish to speak on this bill. Senator Harris.

SENATOR HARRIS: Mr. President, members of the Legislature, again I rise to support not only the amendment on behalf of Senator Lundy but also the bill as introduced by Senator Sieck and amended by Senator Morehead. I want to call attention to the fact that I appreciate the support that was given to Lincoln. I was not here when Omaha was given the additional 1/2 cent but I appreciate the support that was given to Lincoln, and I want to point out that Lincoln is not exactly in what you call dire straits and of great necessity, great need, either before or after this half cent. It gave us an option. I never did try to convince this body and I'm sure that the City of Lincoln did not try to convince this body that we were going to have tremendous problems in the city unless we had this option. And I think the same thing can be said with the cities, as Senator Johnson said, they did not make their case. It gives them an option. That's the reason I'm voting for it and Senator Johnson is correct. They have not faced up to their dire straits that we're all going to be facing and going through, maybe we have been going through. They have continued to go ahead with some of the programs maybe they shouldn't have, but I submit to you that that's the case in a lot of levels of government and they are going to have to face up to those things this year. You notice that the nonmetro unemployment rate went up to 8 percent in Nebraska in the last month measured. We had the unemployment rate for the first time since they have been keeping records, the unemployment rate in Nebraska was higher than the national average. So I think that we are going to face up to these things. We have