

in the Middle West, but in other parts of the nation. This amendment will keep intact the 3 percent raise, if that is what you want, but it will say to the agencies, you are limited to the same number of dollars you had last year and you must make some adjustments. I will be willing to wager that not many employees will come forward voluntarily and say, I'm leaving for greener pastures, I'm leaving because I can get more money somewhere else. There will be some and we should not stand in the way of those employees who can do that. There will be some adjustments within the institutions and some of those will be undesirable. It might also open some opportunities for some individuals who are boxed in behind someone right now who might turn out to be an even more desirable employee. It does several other things. It acknowledges to the people of the State of Nebraska that we recognize that there is not an indefinite number of dollars out there, that there is a limit to the amount of tax burden that people of the state can afford to pay. Now we can talk about a 1 percent income tax increase. I believe there was a portion of that Omaha Chamber of Commerce report that also said that when the income tax increase gets to a certain point the gold collared workers go elsewhere. Now I don't have that problem. Not many of us in this body do. We would not have to make that decisions as to whether or not we came to Nebraska or not because that tax rate would be so obsessive to us because of our high income. But if we're going to quote the report we ought to quote most of it or all of it and that report says when you reach a certain point it becomes counterproductive to increase the tax rates. I have hoped and I still have hope that we can turn the economy around and I am doing some things which are very unpopular with the people from the rural areas and I'm doing it knowingly and I'm doing it because I believe it's necessary and I am willing to take the blame and the criticism for it. But I do not believe we can continue on a business as usual track and think that all is going to be well. I've said it before that an aircraft in a spin does not right itself automatically. The individual in charge has got to take counter measures. We have not done that. We have not done that in this body thus far. We have continued to try to, I would say, be somewhat frugal in our expenditures. I think the Appropriations Committee has tried to be fair. The Revenue Committee has looked long and hard for sources of revenue but there comes a time...

SENATOR CARSTEN: One minute.

SENATOR SCHMIT: ...there comes a time when there is no other