

creation of this commission and that commission. I don't know how many of you were here, I know a number of you. Cal Carsten can remember it well. Jerry Warner can remember it well. If anybody can remember it well, it is a man named J. James Exon. Do you remember what happened every year? It didn't matter, it didn't matter what you projected the income of this state to be, you ended up wrong. If you said it was going to be 100, it ended up at 110. Therefore you had a pot of money to spend the next year. The next year you said, well heck, we had 110 and we think things are going good, it's going to be 120, you ended up with 130 because you had inflation going, and because you didn't have indexing. The same thing occurred at the federal level. As you poured more money in by golly we spent more. There was another fellow came along, names Charlie Thone, and he thought that cycle was going to continue forever and so, when he got his windfall of 100 million, he gave it all away at christmastime. Only problem he didn't realize was the cycle was over. And so what happened the previous 10 or 12 years went reverse, instead of having an extra 100 million he came up short. And he was...we've been short ever since that period of time, and each year it's gone exactly the opposite as it did during the seventies. In other words, if you say you are going to have 110, you end up with 100. Since that time, as you know, the last three weeks of every session we have the ceremony where they discover we are short again. We just had it here a week or so ago. The reason I recite all this history is so that you understand that when you repudiate indexing, when you repudiate indexing you are repudiating the mechanism that was instituted to get control of this whole cycle, both at the federal and as it flowed through to the state. So indexing is one thing the bill does that I think is bad. The second thing, as I say, it is going to accomplish, in reverse, the things on corporations that are intended and create more imbalance. For example, as they play around with federal tax laws and change a five year depreciation to a three year depreciation, that has all kinds of economic consequences. It may create artificial income here, temporarily, and less income over here, or vice versa, because you've changed a fundamental piece. So, my amendment takes the whole corporate thing out of it, at least until another law was passed to change it. I repeat again, my initial inclination would be to attempt to kill the bill. But as an alternative, at a minimum, I would like to straighten out the corporate aspect, and that is why I'm offering this amendment. I'd ask you to accept the amendment.

SPEAKER NICHOL: Senator Warner, did you wish to speak to the