

have before us we should return to the charted course of last week, cap the sales tax on motor vehicles, put the additional half cent into the General Fund, and move on with our business. I urge you to defeat the Warner motion, recognizing that following this motion is one to simply tie the sales tax to a half year of collections. Thank you.

SPEAKER NICHOL: Senator Vard Johnson, then Senator Schmit.

SENATOR V. JOHNSON: Mr. Speaker and members of the Legislature, like Senator Landis, I rise in opposition to Senator Warner's amendment. Senator Warner's amendment has two different notions in it. The first notion is to increase the sales tax by a half a cent with the increase effective January 1, 1987. Senator Landis will offer that same notion if the Warner amendment is defeated. It is the second notion that is the important one that I am going to address. That notion has to deal with the increase in the sales tax on motor vehicles. Right now the sales tax on motor vehicles goes into the highway trust fund. A week ago this body made the decision that an increase in the sales tax on motor vehicles should go to the General Fund and not to the Highway Trust Fund. And it did it, it did it because the arguments for the increase in the sales tax were for General Fund purposes. They were not for Highway Trust Fund purposes. Two hours ago, or an hour and a half ago Senator Hall offered a veto override for \$361, or some small amount, to the Department of Roads. And it was a serious attempt, but it was done symbolically. Senator Hall, like a number of state legislators here, is saying that a time has to come when we end up budgeting the Department of Roads in a manner that we, in this Legislature, feel like we have some hands on approach too. And so long as we are constantly earmarking tax dollars to a cash fund budget, even though that cash fund budget is reviewed by the Appropriations Committee, and even though it effectively is reviewable by us, it never undergoes the same degree of scrutiny as a General Fund operation. I submit that we literally need to change directions a bit on the Roads Department. And one of those changes is for us to continue to go down the course that we went down one week ago which was to put a cap on the allocation of sales taxes on motor vehicles at 3.5 percent. That is what we now have in LB 539. It is only a one year cap, doesn't go beyond one year. It is a one year cap. Senator Warner would undo that. Because he would undo that, because he says I want to maintain 1969 status quo, I think Senator Warner's amendment should be defeated.