

are very important. I handed out to you a study that was done by Congress and this is a study that was done by a subcommittee on the Monetary and Fiscal Policy of a Joint Economic Committee of the Senate and the House and this committee looked at economic growth across the states. You had people there from New York, California, Texas, all over the nation. And what did they conclude? They concluded that when you increased your personal income taxes that it hurt economic growth in their states. I would like to just take a little time out here and just read what they stated. They said that the evidence is strong that tax and expenditure policies of state and local governments are important in explaining variations of the rate of economic growth among states. It is clear that the high rates of taxation lower the rate of economic growth and that states that lower their tax burdens are rewarded with enhancements in their economic growth. Income tax rates levied on individuals and corporations are particularly detrimental to growth. Now Senator DeCamp handed out an earlier...in handing out an earlier statement that showed where Nebraska ranked as far as with income tax. Now as far as I am concerned we are right up there in the upper category with the higher income tax rate and I wouldn't exactly say that our economic growth in the state has been phenomenal in the last few years and then part of it is just because of the agricultural economy and part of it is that we haven't been, I don't feel, all that aggressive in attracting industries into the state. I think we have to look at a real clear view of what we are doing here today. We are not balancing a budget here today. We are issuing a statement to the people of this state and we are issuing a statement to industries and corporations around the nation of what Nebraska thinks about economic growth. Now as far as the income tax rates, we are going to hear different viewpoints on what exactly we are doing with this 1 percent increase in the income tax. My personal belief after looking at it and spending hours pouring over the material that I have received is that I agree with Senator DeCamp. I think there has been a lot of discrepancies and information given to us from state agencies which I don't feel were entirely accurate and were misleading to the Legislature. But one thing that we have had in this state is that we have had a decrease in the amount of personal income that we have had into the state coffers and that is what I look to as an indicator of how the economic growth is around this state. I am going to leave the amendment up there and other people