

special session is that this state is now in a budget deficit. By your laws, by your Constitution, you are in a budget deficit based upon projected expenditures and revenue for the next two years. And I have suggested there are two ways to solve that like there are any time any state or any country or any government is in this situation. One, you raise taxes to meet your spending appetite, or you cut expenditures. Cutting a few million here this session is not remotely going to address the true budget deficit the state is facing. Having failed to do that, you effectively destroy the next session of the Legislature and your ability to deal with real problems. It is for that reason that I offered that last amendment that was rejected, an amendment that said, we're not just shifting taxes to property taxes, we are actually cutting, we are actually cutting spending and making that filter on down the line. The proposal here would phase out the University of Nebraska Medical Center. Why? Because it's probably duplication and probably in a state of 1.5 million at this particular point in time, we can't afford it. But it is obvious, I think, that we are not going to make the major cuts and we're probably not going to deal with the other side, raising the revenue. And so you will have next session and for the next two years a budget crisis in the ongoing saga of budget crisis in this state and you will have a paralyzed Legislature, a Legislature able only to deal with its own internal crisis of meeting a budget and not able to stand above the crisis and begin solving the ag crisis and other things. With that said, I would withdraw the amendment and recognize that we are not going to make the major cuts and, therefore, the only side left is to match expenditures with revenue, a thin but fruitful hope I still have.

SENATOR CARSTEN: Senator Warner. Oh, excuse me, I'm sorry. The amendment is withdrawn.

CLERK: Mr. President, the next amendment I have is by Senator Schmit. Senator, your amendment is on page 45 of the Journal.

SENATOR CARSTEN: Senator Schmit, please.

SENATOR SCHMIT: Mr. President and members, this amendment restores to the budget approximately, I believe, \$40,000 to the Revenue Department, to the lottery division for purposes of examining information that is available to them relative to the collection of taxes and the legal operation of that equipment. I have not had time to review with many of you the proposal. I want to...first of all, I want to assure you that I have other