

direct testimony of the Chairman of the Revenue Committee, the Chairman of the Appropriations Committee, you don't have it, and 6 million or 7 million in cuts doesn't do it. Based upon the law as it exists now, you are running a budget deficit somewhere in the 40 to 60 million range and I would guess more and I say that is in violation of the Constitution. And so what happened? What happened? The Legislature, following that law, had Vard Johnson, Cal Carsten, Bill Nichol and Jerry Warner vote according to the law and following the law, and if you'll look at Exhibit 6, they then said, according to this law we ask you, the Governor, following that law to bring us into special session to adjust the tax rates. And they said, and in addition we'd like to do some lowering of the budget, do some cutting. That is what the law is. Now, the flaw is that the law fails because we made no enforcement mechanism. It used to be automatic under the Board of Equalization. Under this system, the very Governor who gave us the responsibility has now said, I'm not going to live up to the law and I'm not going to follow and allow you the responsibility or the right to do what the law says. It is my point, my contention that you have no choice. You had to deal with it and having failed to deal with it, having failed to be allowed to deal with the entire picture, that picture means either cutting 40 to 50 million, not six, either actually getting those kind of cuts, you then have the other side. You had to balance the budget by raising rates, but you were denied that authority. What would I prefer? I'd prefer to have 40 or 50 million in cuts. That is why I tested such things as phasing out a medical school, actually making serious program cuts. Those things aren't going to sail. They aren't going to happen. That leaves you the other side of it. You have to balance that budget. Is it going to be done? No. It is not going to be done. That then raises the question, what should you do? Because this session is being portrayed as the session that is going to solve the budget problems. It's not. You're going to walk in to next year and it will be crisis city. And who is in the midst of the crisis and the cause of the crisis? Us. So, I would submit, having been denied the opportunity to do anything, it's not unreasonable to say you can't do a job if you're not given the tools, if you're not allowed to. We've been denied the tools and for that reason, I would suggest the bill go back to committee. Now, obviously, I don't want to pursue this very long and I'm not going to attempt to raise LB 4. The Supreme Court ruled this afternoon that they are not going to "rule" on whether we do or do not have that right. They are not going to take up the petition. You might be interested in knowing the U.S. Supreme Court also ruled