

Committee should very definitely look at.

SENATOR WARNER PRESIDING

SENATOR WARNER: One minute.

SENATOR LANDIS: It is, on the other hand, problematical in the situation we are now in. And for that reason I intend to oppose it and find greater virtue in what the Governor proposes, which is a 3 percent surcharge, an energy tax only on manufacturing and generations, not on agricultural general use, and the retail collection fee halved to raise \$7 million. Thank you.

SENATOR WARNER: Senator Kristensen.

SENATOR KRISTENSEN: Thank you, Mr. President and members of the body, I stand to, I guess, make some similar comments as Senator Landis, because there are some generally very good things, Senator Dierks, I see in your plan. However, one part that I want to expand on and I think will be a common theme as we look at a number of these proposals are, and that's in the area of sales tax on the interstate long distance calls, because this becomes an industry specific replacement revenue source. And that's what got us in the problems to begin with is picking out certain industries and taxing those people. And as I look down the list, the things that are broad based that are not industry specific make good, general replacement revenue sorts of things, if you buy the idea that we have a problem systemwide, and we need to, all of us, share into this. Now we'll be able to tinker with rates, with amounts of percentages of surcharges, we'll look at those things. But I look down and look for that industry, and that telephone industry, they are hit with every one of these. They will be hit with the corporate income tax, they get the surcharge on depreciation, they hit the sales tax on the interstate service, and they also get hit on the sales tax collection fee. So they bear the burden of all four. And I can guarantee you that that's not a good one-year system to do that. Now is that unique to the telephones? No, but that becomes...any time you pick out any one industry, that's what's going to happen. And so I think that to keep the tenor of the discussion is that we should steer away from industry specific taxes. Now, Senator Dierks, are you...there you are. Can I just ask you a couple questions. In case that this does get on, I need to have some base of knowledge. On page 9, and it would be paragraph number 23, it talks about private communication