

January 6, 1982

title). LB 585 offered by Senator Warner. (Read title). LB 586 offered by Senator Wagner. (Read title). LB 587 offered by Senators Kremer, DeCamp, Wagner, Cope and Lamb. (Read title). LB 588 offered by Senator Wagner. (Read title). LB 589 offered by the Banking Committee and signed by its members. (Read title). LB 590 offered by Senators Kilgarin and Beutler. (Read title). LB 591 offered by Senator Landis. (Read title). LB 592 offered by Senator Lamb. (Read title). LB 593 offered by Senators Remmers and Richard Peterson. (Read title). LB 594 offered by Senator Landis. (Read title). LB 595 offered by Senator Fowler. (Read title). LB 596 offered by Senator Nichol. (Read title). LB 597 offered by Senator Nichol. (Read title). LB 598 offered by Senator Nichol. (Read title). LB 599 by Senator Nichol. (Read title). LB 600 by Senator Nichol. (Read title). LB 601 offered by Senator Nichol. (Read title). LB 602 offered by Senator Cullan. (Read title). LB 603 by Senator Cullan. (Read title). LB 604 offered by Senators Cope, Rumery and Fowler. (Read title). LB 605 offered by Senator Koch. (Read title). LB 606 offered by Senator Kremer. (Read title). LB 607 offered by Senator Howard Peterson. (Read title). LB 608 offered by Senator Howard Peterson. (Read title). LB 609 by Senator Marsh. (Read title). LB 610 introduced by Senator Howard Peterson and Senator Heffner. (Read title). LB 611 offered by Senator Kahle. (Read title). LB 612 offered by Senator Pirsch. (Read title). LB 613 offered by Senator Pirsch. (Read title). LB 614 offered by Senator Fowler. (Read title). LB 615 offered by Senator Burrows. (Read title). LB 616 offered by Senator Fenger. (Read title). LB 617 offered by Senator Stoney. (Read title). (See pages 77-88 of the Journal).

Mr. President, I have two new A bills, LB 404A offered by Senator Fowler. (Read title). And LB 604A offered by Senators Cope, Rumery and Fowler. (Read title). (See page 88 of the Journal).

Mr. President, I have a series of items to read into the record. Senator Koch would like to be excused January 7 and 8.

Mr. President, Senator Fowler would like to print amendments to....I am sorry, Senator Pirsch would like to print amendments to LB 465. (See pages 89 through 91 of the Legislative Journal). Senator Fowler to print amendments to LB 458. (See pages 91 through 93 of the Journal). Senator Rumery would like to print amendments to LB 287. (See pages 93 through 94 of the Journal). Senator Newell would like to print amendments to LB 131. (See page 95 of the Journal).

February 9, 1982

LR 217
LB 115, 115A, 131, 255A, 274A,
287, 314, 440, 454, 520, 591, 954

Your committee on Revenue whose Chairman is Senator Carsten reports LB 591 advanced to General File.

Your committee on Education reports LB 520 advanced to General File with committee amendments attached. Those are all signed by the respective Chairmen.

Mr. President, Senator Sieck asks unanimous consent to withdraw his name as co-introducer from LB 954.

SENATOR NICHOL: No objection, so ordered.

CLERK: Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 115 and find the same correctly engrossed; 115A correctly engrossed; 131 correctly engrossed; 255A correctly engrossed; 274A correctly engrossed; 287 correctly engrossed; 314 correctly engrossed; 440 correctly engrossed, and LB 454 correctly engrossed, all signed by Senator Kilgarin as Chair.

SENATOR NICHOL: We will go on to LR 217, Mr. Clerk.

CLERK: Mr. President, LR 217 offered by Senator Koch, found on page 576 of the Journal. (Read LR 217).

SENATOR NICHOL: Senator Koch.

SENATOR KOCH: Mr. Chairman and members of the body, this is noncontroversial I hope. This is merely an endorsement of vocational education week and this is the week that we highlight and I don't think it needs a great deal of explanation, and I ask for the adoption of resolution 217.

SENATOR NICHOL: The question is LR 217. All those in favor signify by voting aye, opposed nay.

CLERK: Senator Nichol voting yes.

SENATOR NICHOL: Have you all voted? Record, please.

CLERK: 27 ayes, 0 nays, Mr. President, on adoption of LR 217.

SENATOR NICHOL: Senator Koch.

SENATOR KOCH: Mr. Chairman, I would like to have a record vote on this and I want to see whether we are really loyal or we are just making fun.

March 15, 1982

LB 591, 714, 870
LB 875, 889, 948

PRESIDENT: The motion carries and LB 875 is advanced to E & R initial. Yes, you may read some matters in, Mr. Clerk, go ahead.

CLERK: Mr. President, your committee on Public Works whose chairman is Senator Kremer instructs me to report LB 889 advance to General with committee amendments attached. Senator Pirsch would like to print amendments to LB 948, Senator Goodrich to print amendments to LB 591 and, Mr. President, Senator Beyer would move that the Legislature reconsider its vote on the indefinite postponement of LB 870. That will be laid over. (See pages 1164-1165 of the Legislative Journal.)

PRESIDENT: The next bill then is LB 714, Mr. Clerk.

CLERK: Mr. President, LB 714 offered by Senators DeCamp and Fenger. (Read title.) It was first read on January 8 of this year, referred to Public Health and Welfare for hearing. The bill was advanced to General File, Mr. President. There are Public Health and Welfare Committee amendments pending.

PRESIDENT: The Chair recognizes Senator Fenger for purposes of taking the committee amendments. Senator Fenger.

SENATOR FENGER: Thank you, Mr. President, fellow members, the committee amendment, that is the white copy in your bill book to LB 714 become the bill. In public hearing at the Health and Welfare Committee we heard some bizarre stories that concerned many of the children in our state. This bill is not submitted as a cure-all to the problem because frankly I lacked the necessary legal experience. I couldn't even estimate how far it will go toward solving the problem that it addresses. I would remind you there has been seven separate studies done regarding foster care and foster children the past seven years and it is obvious to me the studies alone haven't solved anything. An accurate figure is not available of the foster children of the state but the best estimate of use under the total foster care program number five thousand with eighteen hundred and fifty of them placed there as wards of the Department of Welfare. State funds involved in this area alone last year was \$13,600,000 not including administrative costs of the staff. I cite those figures to you only to show the magnitude of the problem. 714, as amended, provides for the establishment of a State Foster Care Review Board consisting of seven members, one member at large, two members from each of the three congressional districts. They are serving three year terms on a staggered basis. Appointments made by the Governor and the board is such it would be autonomous.

SENATOR CLARK: The bill is advanced. We now go to the new sheet that you have. There is no time limits on these. It is on the new sheet you have. These are senators priority bills. You cannot remove these bills. Also there is no time limit on them. We go to LB 591.

CLERK: Mr. President, if I may right before we get to that, a new A bill, LB 816A offered by the Revenue Committee. (Read. See page 1199 of the Legislative Journal.)

Mr. President, LB 591 was a bill introduced by Senator Landis. (Read.) The bill was read on January 6th, referred to the Revenue Committee. The bill was advanced to General File, Mr. President. At this time I have no amendments to the bill.

SENATOR CLARK: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I was reading Will Durant last night, a book on the history of Greece. He was talking about a society called the Locrians. The Locrians believed that their laws were ordained by the gods and that if man made an attempt to change them that there should be heavy burden on anybody who couldn't persuade the rest of the group to go along with it. So they had a rule that a person who proposed a change of their laws would have to do so with a noose around their necks and in the event the measure was unsuccessful they took them out and hanged them. A proposition that I have had several constituents tell me probably should...(interruption.)

SENATOR CLARK: Do you want to put that in the rules?

SENATOR LANDIS: I'm not going to suggest it as a rule change but I suppose somebody might say to themselves, why would somebody in an election year bring a bill that raises taxes? Well, that's right. I don't see how I could not have opposition then and carry this bill. But, in fact, this bill does not raise taxes. It allows the City of Lincoln self-determination in its fiscal future by authorizing the City of Lincoln to raise a half cent sales tax premised on a vote of the people of the City of Lincoln in the event that they choose to tax themselves in that manner. I believe in that self-determination and that is why I am sponsoring LB 591 which was reported out by the Revenue Committee. And the City of Lincoln is well known for its planning and its fiscal management. It has the highest bond rating possible for a community. Its management is the envy of many other cities and I'm not here to tell you today that the city is in financial shambles or anything of the like. What I am telling you is that that level of planning

and management needs alternatives and options and the City Council of Lincoln has asked for the authority to go to its people and see if the City of Lincoln voters want to utilize the sales tax mechanism to underwrite expenditures that we know are coming down the line. What kind of expenditures are those? Well frankly we can expect, according to federal actions that have been recently taken, a new local responsibility of about a million and a half for mass transit. We also in our capital improvements program are looking at projected infrastructure improvements of roughly \$30 million for storm sewers and \$40 million for street improvements. Now one of the mechanisms for paying that is going to the people for bonds but currently bonds are going at 13% and that means that if you were to take a bond at a 13% increase per year you could take a...I believe the figure is a \$20 million bond over 30 year life and ultimately you'd be paying nearly \$80 million to pay off that bond. That just isn't sound management particularly in the event the people of the city are prepared to pay as they go. Sales tax dollars offer one option to do that. The City of Lincoln needs a financing option to be in a position to provide for a sound infrastructure. Currently we are looking at needed street repairs that outstrip our ability to finance that either through the money that we receive from the state or those portions of our funds that we're raising locally from property taxes. We do not necessarily want to be forced to going into the bond situation and a bond market with a 13% interest rate that could last for twenty or thirty years particularly since inflation in this day and age has now begun to drop below 10%. An interest rate then at 13% may well be a greater obligation than what simple inflation would be particularly since stringing out those bond improvements or those street improvements and deferring them and deferring them down the line also tack into that inflationary rate. This concept was adopted by the Legislature when we passed an Omaha city sales tax measure. At that time the Legislature indicated a policy that said, "Given the need from a community, given the desire from that community's local governing board and verified by a vote of the people the Legislature will authorize an additional half cent sales tax when needed." And I think the funds that we raise in the event the city voters approve this are needed, of course we will go through our budgetary process and the citizens will have a chance not only to discuss the raising of the tax funds but how those tax funds are to be spent. I would urge the advancement of LB 591.

SENATOR CLARK: Senator Kahle.

SENATOR KAHLE: Mr. President, members, I have long opposed city sales tax, period, and especially the half cent that Lincoln is talking about. I ask you this, fellow members of this Legislature, if you were a citizen of Lincoln, Nebraska, how would you vote on this issue? When we had thousands of boys and girls here the last couple of weeks in for the basketball tournaments along with their parents, when we have seventy some thousand of which a great many of them are from outside the City of Lincoln come into the football games and many, many other activities that are connected with either the University or state government, our own situation where we have to live here in Lincoln for a period of time, if I were a citizen of Lincoln I would certainly vote for that half cent sales tax because we'd sure catch a bunch of suckers. There would be no way in the world that you could lose on a deal like this. I oppose the city sales tax, period, but I certainly oppose it for the City of Lincoln, Nebraska, because that is our capital city, that is where our government is, that is where we have to be and where we have to come to do our business. And I think it is absolutely wrong that we should be assessed a half cent extra sales tax because we have to come to Lincoln, Nebraska. The other side of that situation is we heard this in the Revenue Committee and the City of Lincoln is not in a bind financially. So I assume they are going to lower property taxes with this money. My theory of course has always been and still is and Senator Schmit and a couple of the other of us have a bill, LB 964, that would put a sales tax, an increase in sales tax on across the State of Nebraska would give the cities the same amount they are asking for now but would also help the rest of the communities. There isn't any way that our small towns can put on a penny sales tax now and help themselves any. The administration would be more than the revenue would bring in. I think we made a mistake when our predecessors passed the sales and income tax that they ever left the cities have the right to have a penny sales tax and now wanting another half penny. We're going to find ourselves in state government without funds one of these days because we're not going to be able to raise the sales tax in order to get the necessary revenue because the City of Omaha is already ^{4 1/2}¢ and Lincoln wants to do the same thing. If you talk about raising the sales tax across the state how much support are you going to get when better than half the population is already paying a higher sales tax than the rest of the state? But just mainly to cut my talk short, I just feel that especially in the capital city of our state we should not have to be burdened with another half cent sales tax because we have no choice but to come here. Thank you.

SENATOR CLARK: We have an amendment to the bill.

CLERK: Mr. President, Senator Howard Peterson would move to amend the bill by adding "all first class cities."

SENATOR CLARK: Senator Peterson.

SENATOR H. PETERSON: Mr. Chairman, this is an amendment that I told the people in Lincoln that I would likely add to the bill. It seems to me that if we are going to allow Omaha and Lincoln to have the privilege of voting on whether they're going to have another half cent which we did with Omaha last year, which we're doing with Lincoln this year, then those first class cities who have one cent presently or those that have none ought to have the same opportunity. We've got the provision in the law and it seems it is only equity that we would allow the same thing to happen in any communities where we have the sales tax at the present time. That is the reason for the amendment.

SENATOR CLARK: Senator Vickers, do you want to talk on the amendment? This is on the Peterson amendment. All right. Senator Nichol, did you want to talk on the Peterson amendment?

SENATOR NICHOL: Mr. Chairman, members of the Legislature, I think we can already do that.

SENATOR CLARK: Not the additional half cent.

SENATOR NICHOL: Oh, this is for an additional half cent, if that.

SENATOR CLARK: Yes.

SENATOR NICHOL: Okay then, I don't want to speak to the amendment.

SENATOR CLARK: Senator Schmit. I'm going to ask these people if they want to speak to the Peterson amendment. Senator Haberman, Senator Beutler, Senator Lamb, Senator Koch, Senator Warner, Senator Marsh, to the Peterson amendment.

SENATOR MARSH: Thank you, Mr. Chairman. It is my understanding this issue was not part of the bill in the public hearing. I would not be in favor. With seventeen days remaining, adding this, having it sent back to committee and there is no other fair way to handle it. I am in favor of having the people of Lincoln have the added option of choosing which way they want to go, increased

property taxes or increased sales taxes. My own personal choice was not to increase the sales tax but as I have visited in a number of meetings across our city the citizens overwhelmingly have indicated that they would prefer this rather than increased property taxes. Therefore, I would like to see the City of Lincoln have the same option which Omaha has. Thank you very much.

SENATOR CLARK: Senator Labedz, on the Peterson amendment. All right. There is no further debate on the Peterson amendment. Senator Peterson, would you like to close?

SENATOR H. PETERSON: Mr. Chairman, members of the Legislature, I would just state again in answer to Senator Marsh, that this was discussed at the time we had the hearing before the committee. I told them it was likely that I would add this amendment on the floor and I just believe that since we have one cent already in the statutes for first class cities that if we're going to put another half cent on for the City of Lincoln it is only fair that we do the same thing for first class cities. They have the right to vote it in just like Lincoln would.

SENATOR CLARK: The question before the House is the adoption of the Peterson amendment. All those in favor vote aye, opposed nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted on the Peterson amendment? We're voting on the Peterson amendment to the bill. A Call of the House has been requested. All those in favor of a Call of the House will vote aye, opposed vote nay. Record the vote.

CLERK: 9 ayes, 0 nays to go under Call, Mr. President.

SENATOR CLARK: The House is under Call. All senators will return to their seats, please, and check in. Only two excused at the present time. Will everyone check in, please. Senator Burrows, will you check in, please. Senator Duda, Senator Wiitala, Senator Hefner, Senator Newell. Senator Beutler, would you check in, please. Senator Wagner. We are looking for Senator Goll, Senator VonMinden, Senator Newell, Senator Chambers. Mr. Clerk, is Senator Higgins excused? We are looking for Senator Higgins then also. I will have the Clerk read what we are voting on before we take a roll call vote. The Clerk will read the amendment we're voting on and then we'll have a roll call vote.

CLERK: Mr. President, Senator Howard Peterson's amendment would amend the bill by adding "all first class cities."

SENATOR CLARK: The Clerk will call the roll.

CLERK: (Read roll call vote as found on page 1200 of the Legislative Journal.) 25 ayes, 19 nays on adoption of the amendment, Mr. President.

SENATOR CLARK: The amendment is adopted. Another amendment.

CLERK: Mr. President, Senator Vickers would move to amend the bill by adding "second class cities and villages."

SENATOR CLARK: Senator Vickers.

SENATOR VICKERS: Mr. President and members, this is the "what's sauce for the goose is sauce for the gander" amendment. If it's all right for Class I cities, for cities of the metropolitan class, cities of the primary class to have one and a half percent sales tax, then it should be all right for all cities of this state to have one and a half percent sales tax. Now as to whether or not any city should have sales tax or any village should have sales tax, that of course is a separate issue and I'll thoroughly, frankly admit I don't think any of them should but we've already made that decision in the past. Now it seems to me we're making a decision as to whether or not it should be 1% or 1½% and in the past it seems to me that we have made the decision long before I was here that 1% should be allowed to all cities and all villages. I'm simply suggesting that now we're in a process of making a decision if 1½% should be allowed to a number of cities in this state, all Class I cities, and if that decision is going to be made, then we should apply it all across the board. I guess it is a very simple amendment. I think everybody understands it, Mr. President, and with that I'll move for its adoption.

SENATOR CLARK: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I'd like to ask Senator Vickers a question. Do you yield?

SENATOR VICKERS: Certainly.

SENATOR LANDIS: Senator Vickers, having been in the past a critic of the sales tax increases, with the adoption of this amendment will you become a believer and a supporter of LB 591?

SENATOR VICKERS: Absolutely not.

SENATOR LANDIS: Thank you. Mr. Speaker, members of the

Legislature, I supported Senator Peterson's measure because, in fact, Senator Peterson voted for this concept in committee. He believes in it. Now the distinction here is one who believes in the application of a policy in fairness and one who is simply trying to harass the bill and who is, in fact, not in favor of the policy that they are now promoting. Senator Vickers isn't in favor of a half cent sales tax in this situation. He is simply making an attempt to draw that out to an area and claim a desire for equal treatment when, in fact, he doesn't want equal treatment. Now in the event I thought Senator Vickers was genuine and if in the event he was saying that this policy is reasonable, that I'm willing to trust my second class cities, I'm willing to trust my villages with this kind of authority and I'll be happy to give them that authority, I'd vote for his amendment. The distinction is one who, between one who agrees with the concept of self-determination and trusting the local people and those who are simply trying to hoodwink and harass. In the event the 25 votes who supported the Peterson amendment are genuine in this, I see no reason not to act on this and to give this power to people generally. I trust the voters of this state to do as they wish, to vote on this in their own self-interest. However, I don't think it is fair to turn this into some kind of Christmas tree when you don't, in fact, support the policy. Now if Senator Vickers doesn't really want this policy I suggest he tries to repeal the Omaha sales tax. That is the kind of equilibria he wants. That is the kind of equal treatment he really believes in but he doesn't have the fortitude to stand up here and make that kind of an amendment. In fact, he wants to harass this bill which he does not support and try to bring it down. I would suggest that Senator Vickers have the courage of his convictions to do what it is he wants done rather than to simply harass this measure beyond this place. I supported in good faith the Peterson amendment because I support the principle of self-determination of the financial future of communities in this state who are facing new federalism. I do not support political chicanery and the offering of halfhearted amendments designed to harass when, in fact, there are more genuine amendments that could be offered in the event someone would summon the fortitude to do so. Now in the event those of you who support this concept and are willing to extend it to second class cities are genuine, that means you want to draw this policy across the board, I'll live with that and I'll carry the bill with your amendment on it but if this is simply a charade with which to attack this concept, then I very strongly object. I am for equal treatment of different communities. We are put into this posi-

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LR 229
LB 591, 408, 694, 787

tion because the Legislature made this policy determination a year ago and I'm willing to accept this if, in fact, it is genuine. I ask this body, however, to give me a reading of that by the votes on this amendment. If you support this concept and intend to support the bill, I'll wait and I'll watch and if there are 24 of you that are willing to stand by this concept and to give this treatment across the board, I'll be your 25th vote but I won't do this if what you try to do is har this bill to death.

SENATOR CLARK: The agenda says that at three o'clock we go to the resolutions so we'll go to the resolutions now and after the resolutions if we have time we'll come back right where we left off. The first resolution is LR 229. Pardon? Yes, I am.

CLERK: Mr. President, if I may...(interruption.)

SENATOR CLARK: I've only got nine speakers on that.

CLERK: ...quickly, Senator Nichol would like to print amendments to LB 787, Senator Kremer to LB 408, Senator Kremer to LB 694 and Senator Kilgarin to LB 787. (See pages 1201-1203 of the Legislative Journal.)

Mr. President, LR 229 offered by Senators Beutler, Higgins, Kilgarin, Wesely, Wiitala, Fowler, Burrows, Rumery and Labeledz is found on page 822 of the Legislative Journal. (Read LR 229.)

SENATOR CLARK: Senator Fowler.

SENATOR FOWLER: Mr. President, I'd be glad to introduce the resolution. I know there is several cosponsors and I'd be glad to let one of them have the opportunity to close. LR 229 is introduced to express some concern of this Legislature with regards to the current decisions to be made with regards to the federal deficit in the tax program in Washington. Legislators may recall that last May towards the end of the session there was a resolution with twenty-eight sponsors dealing with support for what was named the Economic Recovery Program and that that resolution passed with few dissents although there were some voices questioning whether or not, in fact, that should be accepted as quickly as this Legislature adopted it. Now we've had time as a nation and as a Legislature to evaluate the impact of this Economic Recovery Program and I would say as one observer that, in fact, the impact has been very damaging, has not succeeded. I would indicate that there were those on this floor who raised questions last year that not all the information was in and that we should not be quick to endorse it. Among

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LB 202, 953, 761, 208, 720, 591,
796

We have six excused. Will the Clerk please call the roll.

CLERK: (Read the roll call vote as found on page 1225 of the Legislative Journal.)

SENATOR CHAMBERS: (Microphone not activated)....changing to not voting.

CLERK: Senator Chambers changing from no to not voting. 25....do you want to change, Senator? Senator Newell changing from no to yes. 26 ayes, 16 nays, Mr. President, on the motion to indefinitely postpone the bill.

SENATOR LAMB: The motion prevails. LB 202 is indefinitely postponed. The Clerk has some items to read in.

CLERK: Mr. President, Senator Vickers would like to print amendments to LB 953, Senator Fowler to 761. Your Committee on E & R respectfully reports that they have carefully examined and engrossed LB 208 and find the same correctly engrossed, 720 correctly engrossed, 796 correctly engrossed, all signed by Senator Kilgarin.

Again, Mr. President a reminder, the Revenue Committee will hold an Executive Session at noon today in Room 1517. That is offered by Senator Carsten, Chair.

SENATOR LAMB: LB 591

CLERK: Mr. President, LB 591 offered by Senator Landis, (read title). The bill was read on January 6th, referred to Revenue, Mr. President. The bill was considered yesterday by the Legislature. At that time there was an amendment from Senator Howard Peterson that was adopted to the bill. I now have pending Mr. President, an amendment offered by Senator Vickers. I think Senator Vickers wants to withdraw the amendment he had yesterday. Temporarily withdraw it, Mr. President.

Mr. President, Senator Vickers would now move to amend the bill by striking the Peterson amendment adopted yesterday.

SENATOR LAMB: Senator Vickers.

SENATOR VICKERS: Mr. President, members, the Peterson amendment adopted yesterday expanded the one-half percent additional sales tax to all first class cities in this state. As you know, the amendment that I just got through laying back until after this one would expand that to all

the cities within the state, both villages and cities of the second class. As Senator Landis pointed out yesterday, I am not one of the greatest supporters of this type of Legislation period, and he assumed, I think, that I was adding amendments to harass his bill. Now this is not the first time that people have amended bills that they didn't support and I don't think it will be the last time. I don't look at this as a measure of harassing this piece of legislation. I look at it as being a measure of trying to either make things equal or trying to narrow them down to certain areas. Now, it was my original intention to keep it narrowed down to the original intention of the introduction of LB 591. I think we need to discuss it on that basis. Should Lincoln or . . . should Lincoln have the additional one-half percent sales tax or should they not. We did that last year and the year before in Omaha. But, I don't think this is the time to make those determinations for many, many cities in the state. So I suggest that we strike the Peterson amendment of yesterday that makes it apply to all first class cities, put it back to only the issue as to whether or not Lincoln should have that one-half percent extension and go ahead and debate that issue from there. However, if the body chooses not to restrict it back to this area then I can assure you that I will try to expand it so that it will be equal to everybody in the state. If we are going to start expanding it to the large number of cities that we would be with the Peterson amendment then we should make it apply equally everywhere. Senator Landis also mentioned yesterday that this was a local control issue, that the local people had the option of instigating a sales tax and that is true. But, I would remind Senator Landis and other members of this body that that same provision that we have now applies to all cities of this state not all cities of all sizes or various sizes have instigated that one percent let alone one and a half. It seems to me until we hear a hue and cry from individual cities to increase that one percent that we should narrow it down to those that are asking for it, in this case, the City of Lincoln. So with that, Mr. President, I would ask for the adoption of this amendment.

SENATOR LAMB: Senator Nichol.

SENATOR NICHOL: Mr. Chairman, members of the body, Senator Landis, may I ask you a question please? Last year on LB 40 allowing Omaha to do this, you were not carried away with it and this year you are in favor of the same thing for Lincoln. I know you are a very reasonable man and have a good reason, why is this?

SENATOR LANDIS: Yes, although I will be happy to talk about that in the debate of the bill, if my answer gets too long.

SENATOR NICHOL: All right, okay.

SENATOR LANDIS: I just want to say that the Legislature has set a policy and when we first discussed that policy we raised the question about what this means for the future of municipal finances. At that time I was in opposition to the extension of the half cent sales tax, because the sales tax is a state revenue source. The Legislature, by majority vote, indicated that a policy was being created, it said that cities who are willing to go to their people to vote for it should be allowed, in the event they can make a showing that justifies it, to have this half-cent sales tax. I am now asking that that policy which we set last year, over my objection, be extended to its reasonable next step. All of the same conditions apply and that it is reasonable to take this action and furtherance of that policy.

SENATOR NICHOL: Thank you, Senator Landis, and my purpose in asking the question was certainly not to embarrass Senator Landis but to make the point that once we have established policy for a metropolitan city, a city of the primary class, in my opinion, it should be extended to cities of the first class and if cities of lesser population would like to it I would have no objections to it. I think we have established a policy and I would support Senator Peterson's amendment as of yesterday, thank you.

SENATOR LAMB: Senator Howard Peterson.

SENATOR HOWARD PETERSON: Mr. Chairman, members of the Legislature, I would rise to vigorously oppose the Vickers motion. It seems to me that when we are considering a matter of public policy, which I think we are in terms of this particular bill, that it is important for us to consider not only the two metropolitan areas, which we gave the authority to Omaha last year, and which Lincoln is asking for this year, we also passed that right on to those communities that have similar problems. I can assure you that in our first class cities in this state the problems that have been described for Lincoln are just as vital and just as important to those first class cities. That is the reason I offered the amendment. I think we need to be fair in what we do. It seems to me that as we address the issues in the future that it will be much easier for us to address those issues if we have treated all of these

communities the same. That is the reason I offered the amendment. I would urge you to defeat the Vickers amendment.

SENATOR LAMB: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I do want to ensure that Senator Peterson gets a chance to react. I'll tell you where I am at on this amendment by Senator Vickers. The City of Lincoln has made a case to the Revenue Committee. We took all of our people down there, let them cross-examine them, let them make a case for 591 for the City of Lincoln. We have had a public hearing on 591 and primary class cities, Lincoln of course, came down and made that showing. Now at that public hearing Senator Peterson was very clear and very direct in his questioning indicating that he was going to make this attempt. But, there is a distinguishing feature between first class cities and primary class cities and that is that the primary class cities have been down here making their case. I want to tell you that those of you who I have talked to about 591 are free to decide for yourself, regardless of what you may have told me about 591, to do as you wish on this amendment. I'm hoping that we will not endanger 591 by the adoption of this amendment. In other words if there are those of you who intend to support 591 in its original form, but in the event this amendment is adopted will not continue to support the policy then I hope you will oppose the Peterson amendment. For myself however, I am prepared to support the Peterson amendment. I am prepared to support this policy and its extension to its logical conclusion which is that cities that have large financial and fiscal budgets and are looking for alternatives in the days of the new federalism should have this alternative and in the event they are willing to ask their people for this authority that this option should be a viable one. Please decide for yourself but in doing so it is my fervent hope that this amendment is not the difference between 591 successful passage or its demise. I think the line has to be drawn reasonably and I'm prepared to support the Peterson amendment and its continuation. But if it is going to turn the tide of the body, then I hope that you will support Vickers in this and strike the amendment. On the other hand if generally speaking you can support this policy, you are free to do as you wish. I intend to maintain the Peterson amendment on 591 with my own vote.

SENATOR KAHLE PRESIDING

SENATOR KAHLE: Senator Schmit.

SENATOR SCHMIT: (No response).

SENATOR KAHLE: Is Senator Schmit in the room? If not, Senator Haberman is next. Senator Haberman.

SENATOR HABERMAN: (Response inaudible).

SENATOR KAHLE: Senator Haberman waives. Is Senator Schmit in the room? Senator Schmit is coming.

SENATOR SCHMIT: Mr. President and members of the Legislature, I apologize for the delay. I would just like to say once again we see on this floor and I have visited with Senator Landis about the problems the City of Lincoln has. I think we have talked about it many times and we have talked about it on the floor and we have talked about it in the Revenue Committee and I think Senator Carsten and his committee have tried many times to help resolve some of the many funding problems that face the cities and counties and villages in the State of Nebraska. That is the reason why for four years I have introduced a type of revenue sharing bill that would do basically what Senator Vickers and others have talked about and in fact what is now happening here today with the City of Lincoln, that is to provide for additional sales tax across the State of Nebraska to be reallocated back to all of the subdivisions of the State of Nebraska in some manner that would be deemed equitable by this Legislature. I think we have seen here, we are seeing here today a continuance of the situation which began a number of years ago when we first allowed the cities to have the local option sales tax. I think the practice has grown over the years. I well remember the day four years ago when I gave the City of Omaha, because of the extreme urgency for a limited period of time, only for one year, the 30th vote necessary to override Governor Exon's veto. To say that that vote has cost me dearly is an understatement. I want to say once again that the problems of the cities will not go away and the City of Lincoln is faced with the necessity of addressing those problems. Those problems are still with us in the schools and counties also. I'm not going to stand here today and attack Senator Landis' bill because I know that I am not prepared to say that the state does not need it. But I want to re-emphasize again, and I may at sometime later in the very few limited days we have left in this session try to bring to the attention of the Legislature the provisions of LB 964 so that you at least can have it before you, discuss it or think about it, because if you do not do that, we are going to have to face the harsh reality one of these days when the other subdivisions, second class cities, as Senator Vickers pointed out, villages,

counties and most of all schools are not going to have the funding they need. The time will have passed us by when the next equitable distribution of funds can be made. So, I think you are going to have to address the issue but again not on a piece by piece basis. I'd have to at this time perhaps tell you that I'm not going to support the addition of the first class cities and I think, in the long run, to add the first class cities is a mistake without addressing the entire problem.

SENATOR KAHLE: There are no other lights. Senator Vickers, would you like to close?

SENATOR VICKERS: Thank you Mr. Chairman. Mr. Chairman and members, so it is clear in everybodys mind exactly what you are voting on here, if you vote green then you are saying that we are going to put 591 back into its original form and we are going to debate and discuss and decide whether or not Lincoln should have an additional one-half percent city sales tax. If you vote red then you are going to be saying that we are going to apply this one-half percent additional city sales tax option to all first class cities in this state. Now, I remind you that was not part of the original bill. I further remind you that I don't think the first class cities had the option of coming into the hearing and making known their wishes one way or the other on how that might affect them. I will also remind you that there are a number of first class cities out there that do not have even the one percent city sales tax right now. As a matter of fact one of the first class cities in my district, the City of McCook, took that to the voters last year and it was turned down. So it seems to me that until there is a hue and cry from those first class cities to increase the amount that they have available to them right now, that it is very unlikely that we should be dealing with that subject out here giving them that additional one-half percent sales tax availability to them. Now I can assure you that if the body doesn't remove this provision, then I'm not going to let loose of this issue, because as Senator Schmit pointed out to you, the problems of the property tax payer in the State of Nebraska is not getting any better and it is going to get worse. It is not restricted only to the City of Omaha or Lincoln and we need to look at that situation. But I suggest to you that now is not the time to look at it only for the cities of a certain class, those cities of the first class or if we are going to make that decision we should make it for all cities of all sizes. But I don't believe that that is actually what we should be doing either. I think bills are introduced in this Legislature for specific purposes and we should deal with that purpose of what that bill was

introduced for and the hearing it was held for. With that, Senator Kahle, I would ask for the adoption of my motion to strike the Peterson amendment of yesterday.

SENATOR KAHLE: Okay, you heard the issue. All those in favor vote aye, those opposed vote no.

CLERK: Senator Kahle voting yes.

SENATOR KAHLE: Please vote. Senator Peterson.

SENATOR H. PETERSON: Mr. Chairman, I would ask for a Call of the House and a roll call vote and ask the Clerk to read the motion.

SENATOR KAHLE: A Call of the House has been requested. Do I see five hands? Oh, I guess I don't need that for this. Those in favor of a Call of the House vote aye, those opposed vote no. The House is under Call. Those who are not on the floor please come back so we can vote. Please check in. The House is under Call. We are looking for Senator Newell, Senator Chronister, Senator Chambers, Senator Apking, Pirsch, Higgins, Haberman. Senator DeCamp asks for a point of order.

SENATOR DeCAMP: Mr. President, could we know specifically the amendment we are voting on? Could somebody read it? A number of people after Final Reading went out of the room, including me, and I thought we were voting on second class cities but I understand it is not that. Could they read the amendment?

SENATOR KAHLE: Senator DeCamp, as soon as they are in here we will have the Clerk bring us up to date. We need Haberman, Chambers and Senator Pirsch. Senator Beyer informs me that I said Mr. Apking, that certainly was a mistake and I apologize. Senator Peterson, we are short Senator Haberman and Senator Pirsch. Can we proceed or do you want to wait? The Clerk will call the roll. Oh yes, we want to inform you of what we are voting on.

CLERK: Mr. President, the amendment that the body is presently voting on is offered by Senator Vickers, it would strike the Howard Peterson amendment that was adopted yesterday. Roll call vote. 24 ayes, 15 nays, 3 present and not voting, 6 excused and not voting, 1 absent and not voting. Vote appears on page 1227 of the Legislative Journal.

SENATOR KAHLE: The amendment fails. Mr. Clerk, by you have any more amendments?

CLERK: Mr. President, the next amendment I have is from Senator Vickers. Senator Vickers would move to add second class cities and villages to the bill.

SENATOR KAHLE: The Call is raised. Senator Vickers.

SENATOR VICKERS: Mr. Chairman and members, we are right back where we ended up yesterday, I guess. Once again I will refer to this as my, what is sauce for the goose is sauce for the gander amendment. It seems to be the feeling of this body that these option sales tax could be one and a half percent to the metropolitan city, the primary city and the first class cities. So under the argument of fairness and equity, since we have the option sales tax available to villages, second class, first class, primary and metropolitan we should make it one and a half percent now to villages and second class as well. How this body can say that the property tax payer and cities of the first class or above need to have the option of one and a half percent local sales tax to help fund the operations of their city and yet not say that the villages and second class cities need that same option is more than I can understand. I recognize that with the new federalism, with the responsibility of funding more programs coming to the local level, we are going to have to face that at the state level as well as the local level. But I suggest to you that that local level is going to be those smaller cities as well. So, in order to spread that responsibility out, then I am just suggesting to this body that since the determination has been made to apply to the first class cities that same logic should apply to cities of the second class and villages. Thank you, Mr. Chairman.

SENATOR KAHLE: Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, I support Senator Vickers amendment. I think it makes entire sense for us to resolve this issue once and forever this year, as far as optional sales taxes are concerned. If it is good for Omaha and Lincoln, it is good for Hemingford and I just don't see any reason why they should be limited in their flexibility. I personally oppose any of the optional sales taxes and I think we are going to have to move soon in the direction of eliminating the sales taxes the optional sales taxes we have already established. But if we are going to expend them beyond what occurred now, exist now, then I think we need to expand them throughout the entire state and not just in limited areas. I urge you to adopt the Vickers amendment.

SENATOR KAHLE: There are no other lights on, Senator Vickers would you like to close?

SENATOR VICKERS: Mr. Chairman and members, I think the issue is pretty clear. I think we all understand what we are doing. I would just suggest to you that since we have expanded LB 591 as much as we have, then it certainly seems logical that we should expand it the rest of the way. Once again, I would repeat the problems of the local entities of government in funding the operations of those governments is certainly not restricted to cities of any particular size and if it is the wishes of the body to address, in this fashion, then it should be addressed to all those entities regardless of their size. Thank you, Mr. Chairman.

SENATOR KAHLE: Senator Landis, your light is on but Senator Vickers was closing. All those in favor of the Vickers amendment please vote yes, those opposed vote no. Please vote. Senator Vickers.

SENATOR VICKERS: Mr. Chairman, in order to save time I'll just ask for a Call of the House and a roll call vote.

SENATOR KAHLE: All those in favor of a Call of the House vote aye, those opposed no. Record the vote.

CLERK: 13 ayes, 0 nays to go under Call, Mr. President.

SENATOR KAHLE: The House is under Call. Will the Sergeant at Arms please bring those in that are off the floor. Those of you senators who are in hearing distance please come back the House is under Call. Please record your presence. We are wasting a lot of time. We are going to need it later so please come back and check in. Those of you here please check in so we can proceed. Senator Cope, would you please check in. Senator Vickers, please check in. Senator Wagner. I see Senator Rumery is back. Welcome. Glad to see you back. One request, please check in would you please. Senator Chambers, Senator Beutler, Senator Hoagland, Senator Pirsch, Senator Apking. We are still short Senator Pirsch, Senator Hoagland and Senator Chambers. Senator Vickers, we are short Senator Chambers and Senator Pirsch. Do you wish to wait or shall we proceed?

SENATOR VICKERS: Go ahead and proceed.

SENATOR KAHLE: The Clerk will inform us of what we are voting on.

CLERK: Senator Vickers would move to amend the bill by adding second class cities and villages.

Roll call vote. 16 ayes, 20 nays, 6 present and not voting, 5 excused and not voting, 2 absent and not voting. Vote appears on page 1228 of the Legislative Journal.

SENATOR KAHLE: The motion fails. The Call is raised. Senator DeCamp, you have your light on.

SENATOR DeCAMP: Waiting for the next amendment.

SENATOR KAHLE: Proceed, Mr. Clerk.

CLERK: Mr. President, I have two amendments, I have a priority motion offered by Senator Vickers and that would return the bill to committee for a public hearing.

SENATOR KAHLE: Senator Vickers.

SENATOR VICKERS: Mr. Chairman and members, I get the distinct feeling that I am losing here this morning. I get the distinct feeling that reasonableness has nothing to do on this issue, but I think that it needs to be pointed out that we have expanded this bill considerably. I don't know personally how many first class cities there are in this state, but I'm sure that there are somebody in this body that could tell me, but I think that there are a number of cities out there that we have included in this bill that were not offered the opportunity to comment one way or the other at a public hearing on this issue. Now I happen to know the first class city in my district, McCook, just turned down this one percent option a year ago had no opportunity to respond to this and it seems to me that we should at least give them that opportunity to come in and tell us whether or not they want to have one-half percent extra as an option. Now, I'm sure that we would probably hear from people on both sides of that issue. But, for us to make such major decisions out here on the floor, without any opportunity for public hearings, for public input, I believe is wrong. I believe that it is fundamentally wrong with the way this body is set up to operate. I'm proud of the fact that Nebraska only has one issue in each bill. I'm also proud of the fact that our bills all have public hearings. I think we are all proud of that. We pride ourselves in being open and responsive to the public. But in this issue, right now, we are dealing with a number of people out there in the public that haven't had an opportunity to respond. For that

reason and that reason alone, Mr. Chairman, I move to return this bill to committee so that they can have an opportunity to respond either for or against the way this bill has been changed. Thank you Mr. Chairman.

SENATOR KAHLE: Senator DeCamp.

SENATOR DeCAMP: Mr. President, members of the Legislature, in another year or if it were a different situation I might well be inclined to have a little fun with this bill, having spent more than an hour or two at this mike on sales tax bills. Unfortunately I don't think it would be very responsible to play with this one this year at this time. We have got too much work and it is too heavy, too serious and therefore I would suggest to you to resolve this one way or the other. We don't need to send it to committee, it either has the votes to advance or it doesn't have the votes to advance. Spending three or four more hours here isn't going to change it. As I say, I have a strong temptation, I almost should go to confession it is so strong, to get up on the floor and read to my good friend Senator Marsh, or my good friend Davey Landis some of the statements they made on a previous sales tax bill in a previous year where they explained, for example, Lincoln could tighten their belt, they didn't have to resort to these things. But as I say, this isn't the year and the other work we have is too heavy. I'm inclined to believe that with the protections built in, such as a vote of the people, and with the full knowledge that every man and woman in this body has that they are going to be suffering under the effects of additional programs or new programs or whatever that we had better get the bill rolling and get it passed. As I say, that is a difficult thing to do when the temptation is so strong otherwise. There are so many other things we have to deal with. I would object to returning the bill to committee. The argument about a public hearing or whatever and the public input, you know we can all use that at the proper time. You have got 49 of you, you are the board of directors of this state. You don't need more meetings or hearings, you can make the decision. That is what the board of directors is all about. I think it is time for the majority of the board to decide one way or the other what you are going to do on 'er, so I'd urge us quit the amendments, quit the motion, for down, let 'er rip because we have got a lot of other business here.

SENATOR KAHLE: Senator Landis.

SENATOR LANDIS: Senator Kahle, members of the body, the Revenue Committee discussed first class cities. The

Revenue Committee questioned all of the people that appeared before it, the League of Municipalities and everyone else was apprised that Senator Peterson was going to run this amendment. We all knew it was coming and that decision at least has been tentatively made. We did not make a discussion on second class cities, but the Revenue Committee was apprised of this and everyone at that hearing was apprised of this. The policy makes good sense at this point. We have had adequate discussion of the issues. I would suggest the body make a determination and show the leadership necessary to resolve this question.

SENATOR KAHLE: Senator Remmers.

SENATOR REMMERS: Senator Kahle, Senator Kahle and members of the Legislature, I support Senator Vickers amendment for several reasons. I'm opposed to expanding the sales tax. I think that we are pre-empting some of the revenue sources for the state down the road. My personal philosophy is that the state should have sole power to levy sales taxes. I think there is no way that you can distribute the sales tax on the basis that it is collected in a fair manner. For instance I will take a little village of Johnson as an extreme example. It wouldn't do that much good to put a sales tax on because the only person from Omaha that might stop there and spend any money would be somebody stopping for a cup of coffee. On the other hand, they turn around and spend a lot of money in the larger cities. Those are the extremes but the same thing applies all the way up and down the middle. This distinction between the first and second class cities, I know of two cities, one in my area, one of those cities is just under 5,000 and the other just over 5,000. You are going to give the one that is a few people over 5,000 the right to levy a sales tax but you are going to deny that to the city that is just slightly under the 5,000 population. I don't see any basic, any good reason for that. I believe that, I just want to take this time right now just to remind some people that a lot of them know that I have a philosophy that a local income tax is much fairer than a sales tax. A sales tax is a regressive tax. A local income tax could be distributed, the funds kept in the area where it is collected whether it is a county school district or a city. But, furthermore I do believe, the sales tax, we have to quit expanding it. I think the state is going to need this source of revenue. It is a regressive tax. If you are going to apply it to the Class I cities, why shouldn't those that have just a few number, just slightly smaller, not be able to apply it. I would urge you to support Senator Vickers amendment.

SENATOR KAHLE: Senator Koch. Senator Peterson, Howard Peterson.

SENATOR H. PETERSON: Mr. Chairman, I would call the question.

SENATOR KAHLE: There are no more lights so we will vote on the. . . Oh, Senator Vickers would like to close.

SENATOR VICKERS: Mr. Chairman and members, I just want to read to you from the committee statement that is in your bill book, in the front of this bill. The proponents were four people, Senator Landis, Mayor Boosalis, the Finance Director and the Director of Transportation of the City of Lincoln. We were told that the. . . at the committee hearing people were asked about the expansion of it to first class cities. I don't see anything in there about where there was anybody at that hearing representing first class cities. Not even anybody from the League of Municipalities was there, according to the committee statement. Now I might be wrong, maybe the committee statement wasn't right. But, if there was anybody other than the members of the committee that were representing first class cities, I certainly don't see it. Also I would remind you of what it says down at the bottom about the summary or purpose. LB 591 authorizes the city of the primary class to increase its existing city sales and use tax by one-half percent. It doesn't say one word about first class cities or any other cities. Now if our integrity means anything as far as introduction of bills and a public hearing on those bills, then I suggest to you that if we are going to expand it in this matter out here on the floor that I can think of a whole lot of issues that we could introduce out here on the floor and do about any damn thing we wanted to do without having a public hearing on anything, if that is what this body chooses to do. But, if we do, I suggest that we are doing our constituents and everybody in the State of Nebraska a real big disservice. So I suggest that in order to prevent that type of a precedent from being set and from doing them such a great disservice that we do send this bill back to committee in order to give those cities of the first class an opportunity to respond. Thank you, Mr. Chairman.

SENATOR KAHLE: Okay, would. . . we are voting on the Vickers amendment which would send the bill, 591, back to committee. Those in favor vote aye, those opposed vote no. Please vote, I'm sure that we would all like to get this issue settled before lunch.

ASSISTANT CLERK: Senator Kahle voting yes.

SENATOR KAHLE: Please vote. Senator Vickers.

SENATOR VICKERS: How many people are excused?

SENATOR KAHLE: There are five excused.

SENATOR VICKERS: That means there are 14 people that are sitting off, so in order to save time I'm going to ask for a Call of the House and a roll call vote.

SENATOR KAHLE: A Call of the House has been requested. All those in favor vote aye, opposed vote no. Record the vote.

CLERK: 12 ayes, 7 nays to go under Call, Mr. President.

SENATOR KAHLE: The House is under Call. The Sergeant at Arms will round those up that are not on the floor. Those of you within hearing distance please come back and check in. Right now we have about 20 that are not checked in. Please check in. Senator Hoagland and Senator Hefner are not excused. The rest that are not on the floor are excused. Senator Vickers said go ahead. The Clerk will take the vote. Perhaps you should inform the group what we are voting on.

CLERK: Mr. President, the motion presently before the membership is to return LB 591 to the committee for a public hearing.

Roll call vote. 15 ayes, 26 nays, 6 excused and not voting, 2 absent and not voting. Vote appears on page 1229 of the Legislative Journal.

SENATOR KAHLE: The motion fails. The Call is raised. Are there any other amendments on the bill?

CLERK: Mr. President, I have an amendment from Senator Wiitala.

SENATOR KAHLE: Senator Wiitala.

SENATOR WIITALA: Thank you, Mr. Speaker. Mr. Speaker and members of the Legislature, you will find a copy of my proposed amendment on your desk. It is an issue that I feel quite strongly about, largely because legislation that I and others have introduced to the Legislature, have never occurred here or appeared here on the floor. So we are forced, in essence, to amend bills addressing the situation of placing a tax on necessities of life, that

being the sales tax on food and on utilities. I would like to remind the body that the home owner is the only person that pays a sales tax on utilities. All other parties have been exempted under law. The reason that I am introducing this amendment is to address a very serious situation, not only to have strong feelings about eliminating the tax on food and utilities but I think this is a good place to begin. How well I remember the last session how the City of Omaha, we were dealing with their increase in sales tax fought any idea of removing the sales tax on food and utilities, largely because they sensed that they would be losing revenue at a moment when they were asking for additional revenue. So, I guess what I am trying to do by this amendment is putting the City of Omaha and the City of Lincoln on notice as far as the seriousness of finally addressing the situation. I realize full well what we are attempting to do in Lincoln is to gain additional revenue without placing a tax, additional taxes on property. But at the same time, by increasing the sales tax we are placing additional burdens on those that are less privileged. So I would like to have the Legislature address this and hopefully we will on Select File. I just learned that Senator Goodrich is going to introduce a similar motion on Select File, which I have signed onto that is far more encompassing than this amendment which I presently propose. With that, recognizing that the hour is late, this is a very serious bill, I do not wish to further encumber the progress of LB 591. So I would move, Mr. Speaker, that this motion be laid over, withdrawn, excuse me.

SENATOR KAHLE: You are withdrawing your motion?

SENATOR WIITALA: I would request that my motion be withdrawn, yes.

SENATOR KAHLE: It is withdrawn.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR KAHLE: Now we have a predicament perhaps, but yesterday when Senator Clark was presiding he has a list of people that wanted to speak on the bill. I will go down that list and see if you still want to speak. Senator Schmit, do you wish to speak on the bill? Okay, go ahead.

SENATOR SCHMIT: Mr. President and members of the Legislature, as Senator DeCamp said it would make interesting reading to go back and review the many, many pages of testimony in support of our initiative for local option city sales tax. I

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want to say once more, and I have discussed it just briefly with Senator Landis, that at some point and time and not on General File, I may offer some version of LB 968 or 964 to be attached to this bill. I want you to be aware of that and I hope that you would consider it. Thank you very much.

SENATOR KAHLE: The next name on the list is Senator Haberman. Do you wish to speak any more on the issue? He passes. Senator Beutler. He waives. Senator Lamb.

SENATOR LAMB: Mr. President, members of the Legislature, two serious objections to the bill. Number one, the administration has said that it is not necessary at this time. I see no reason to authorize this tax when it is really not necessary, admittedly not necessary. Number two, the Lincoln Chamber of Commerce opposes the bill. I think that is very significant in this time when we are in a financial crisis all over the country and all over the state, the Chamber recognizes the fact that raising the tax is not the way to generate new business. For those two reasons I would ask that the bill be defeated.

SENATOR KAHLE: Okay, before we go to the next speaker we do have 16 students from the North Bend School. This is in Lowell Johnson's district. The teacher is Mrs. Gruber. They are in the north balcony. Welcome to the Legislature. Please welcome these people. The next name I have is Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. A question of Senator Landis if he would yield.

SENATOR KAHLE: Senator Landis, do you yield?

SENATOR LANDIS: I do.

SENATOR KOCH: Senator Landis, in your opening remarks yesterday, I'm trying to recall those, but the question to you is, when you were talking about how this money could be used, you talked about bonds, the cost of bonds. Are you inferring that this sales tax could be used to retire those bonds?

SENATOR LANDIS: No, Senator Koch. My purpose in discussing bonds was to show to pay for infrastructure improvements by bonds can be very, very expensive and paying as you go is much more economical, we want the ability to pay as we go, that is why we want the bill.

SENATOR KOCH: But you are not going to circumvent the vote of the people in terms of those kind of improvements that the city makes for various say, sewers, street improvements and things of that nature.

SENATOR LANDIS: Street improvement, sewer improvements can be done without a bond. They are oftentimes done without bonds if they are of a magnitude that the city can pay for. Those go through the normal political process. When there is a big chunk of money, you can't put into a budget you go to a bond. But no, there is no attempt to circumvent the votes of the people where legitimate of the using of bonds for the payment for infrastructure improvements.

SENATOR KOCH: Thank you. One last question. If this bill were to pass, is this money outside the lid?

SENATOR LANDIS: Yes, it is.

SENATOR KOCH: It is outside of the lid, thank you.

SENATOR KAHLE: The next name we have is Senator Warner.

SENATOR WARNER: Mr. President, I rise to comment on my position on this, on the legislation. I consistently voted against any amendment and I would continue to do that. You know the argument on the Omaha bill to speak against it was being anti-Omaha, or at least that is what you were accused of. So since this affects the city, a portion of which I represent, while I feel free to speak against the bill, because no one can accuse me, I hope, of being anti-the community of which I have the privilege to represent a portion of. I have consistently opposed the expansion, including the initial one percent back in 1969, with only one exception and that when someone was attempting to use one of the Omaha bills introduced by Senator Labedz as a, if I can borrow the phrase, one of the news media columnist's columns, attempt to use the bill as a "Tugboat Annie" or tugboat for some other things which was also distasteful to me and I voted on Final Reading yes to get it out of the way. But I have very strong feelings that it is a totally inappropriate, totally inappropriate for the state to give away its tax base as long as we rely in part on the sales tax for state operation. I, like Senator Schmit have also introduced Legislation, 916, however, I would not attempt to tack it on this bill or any other bill this session, which clearly separates the sales tax and income tax with all of the sales tax going for the variety of aid programs that have been appropriated by the Legislature for those governmental subdivisions that are appropriate. But, I can not support further extension as it is proposed

here, and some other reasons. There isn't any doubt in my mind that within the next three to five years we are going to broaden the tax base on sales tax to include services and some other items probably. At the same time probably food will be exempt. But in any event, when that occurs, because of the 1% there will be an automatic windfall to those governmental subdivisions to have the 1% of increased revenue. To further broaden that windfall by adding another $\frac{1}{2}$ % now I think would be unwise. Basically my position is that...either the sales or income tax has a maximum rate that is acceptable, as does property tax. As we give away that base by increasing the rate locally, it just defers that time period if not eliminate it entirely that the state would be able to utilize the sales tax as long as we have existing law to raise revenue for state responsibilities or for other aid programs, for that matter, for other governmental subdivisions than cities. If 916 was law and the sales tax was dedicated totally aid, then I don't know that I would have a particular, if any, opposition to authorizing or expanding local cities to issue a sales tax, because then they are competing with one another, that is aid governmental subdivisions are competing with one another for funds. As... (interruption.)

SENATOR KAHLE: You have about 30 seconds, Senator Warner.

SENATOR WARNER: ...as a source of state income, I will not support expanding it at this time.

SENATOR KAHLE: Senator Nichol.

SENATOR NICHOL: Mr. President, I call the question.

SENATOR KAHLE: Do I see five hands? I do. Those in favor of...those who wish to cease debate vote aye, those opposed vote no.

CLERK: Senator Kahle voting yes.

SENATOR KAHLE: Record the vote.

CLERK: 27 ayes, 0 nays to cease debate, Mr. President.

SENATOR KAHLE: Debate is ceased. Senator Landis, would you like to close?

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I have just checked with the Clerk's desk. There are eight that are formally excused. If you look around the room right now it is easy to tell that there are at least ten and perhaps as many as twelve of us that are not here because of lunch hour commitments. It is not fair for the City of Lincoln to be held captive because of stomachs growling. I will exercise my good faith not to exhibit any debate at

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LB 591

the end of the lunch hour, but I move to adjourn until one-thirty and the first order of business will be the vote on LB 591. I would move to recess until one-thirty at which time we can move expeditiously to a vote. I urge the body to be fair in giving us a fair chance.

SENATOR KAHLE: The motion is to recess until one-thirty. Let's take a machine vote on it because it may be a controversial issue. All in favor vote aye, those opposed vote no. Record the vote.

CLERK: 27 ayes, 0 nays to recess, Mr. President.

SENATOR KAHLE: We are recessed....Senator Labedz.

SENATOR LABEDZ: A point of personal privilege, I just wanted to tell my fellow colleagues that green carnations were delivered to your office, but I want you to especially notice the containers. I brought them all the way from Poland. Thank you.

SENATOR KAHLE: Thank you and we are adjourned until one-thirty....recessed, pardon me.

Edited by:

Marilyn Zank
Marilyn Zank

March 17, 1982

LB 591
LR 253

RECESS

SENATOR LAMB PRESIDING

SENATOR LAMB: Please record your presence. Record your presence please. Senator Fowler, would you care to record your presence. Senator Cope. Senator Fenger, would you care to record your presence. Record.

CLERK: There is a quorum present, Mr. President.

SENATOR LAMB: Do you have some items to read in, Mr. Clerk?

CLERK: Mr. President, a couple of items. Your Committee on Education would like to conduct a public hearing on Gubernatorial Appointments on Wednesday, March 31st at 12:00 noon. That is offered by Senator Koch, Chairman of the Education Committee.

Mr. President, a new resolution, LR 253 (read title). That will be referred to the Executive Board.

Those are all the items that I have, Mr. President.

SENATOR LAMB: Continuing on LB 591, debate has been closed, Senator Landis will close.

SENATOR LANDIS: I would like at this time a Call of the House so that we can reacquaint the members what has been done with the Bill and then I'll make my closing statement and we will proceed with the vote at that time.

SENATOR LAMB: A Call of the House has been requested. All those in favor signify by voting aye, those opposed no. Record.

CLERK: 21 ayes, 0 nays to go under Call, Mr. President.

SENATOR LAMB: The House is under Call. All members check in. All unauthorized personnel leave the floor. Senator Landis, will you please close on the bill.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, (inaudible) adjourn for lunch. No, no, I'm glad to have you all back and I'm glad to have one last chance at this. Knowing the way you are going to vote Senator Koch, I'm not so glad I'm to have you back either. I would appeal to the body to consider LB 591 as part of a package, part of a package that was begun a year ago, that was born in the passage of

the sales tax for the City of Omaha, an issue that was born in the need of that city for additional revenues and a method of financing them other than their normal resources. With that precedent which was created over many of our objections, my own included, this body agreed that in the event the voters of that city would take it upon themselves, the sales tax increase, that they would be free to do so. Now that is what the City of Lincoln has come asking you for this session. We were down in the Revenue Committee we brought in our finance director, our mayor, our city services and went over with them and their future with the Revenue Committee. We made ourselves open to their questions, in essence, we opened our books to the committee to show them our need for this tool as part of our own financial planning in the City of Lincoln. That committee agreed that the full body of the Legislature should consider the issue of extending that precedent to another city that had made a good faith showing of its need for this tool of financial planning and its willingness to approach its own citizenry to authorize that tax increase. This body has seen fit for whatever motivation, most of them genuine I'm sure, to add cities of the first class. I have been bound by the policy that I have advocated in supporting that amendment. In good faith I have stuck by that commitment when there were 24 votes to strike the Peterson amendment I did not add mine to 26. I believe in the commitment that I gave Howard Peterson and there are those who have said, this policy is a reasonable one and since you have used it on behalf of your own city don't you think it is fair to apply to us. I stood by that commitment even perhaps to the eventual prejudice of my own making, but I lived up to what I think is a fair and equitable policy decision for this body to make. The City of Lincoln faces declining federal funds. It has a city charter lid that is over and above whatever the states might wish to enact for a city lid. It will not go away even if we revoke our own lid at the state level. We want these funds for our own local planning for our infrastructure for our mass transit funds and we are prepared to go to our citizens asking for their support. I would ask you to help us do that. I would like to yield one-half minute. . . .

SENATOR LAMB: One minute, Senator Landis.

SENATOR LANDIS: . . .one half minute of that to Senator Chambers.

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman, members of the Legislature,

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LB 591, 520, 824

this is not the kind of bill ordinarily that I would support but because of a possible amendment on Select File on a subject in which I am deeply interested I'm going to vote to advance this bill and I want to make it clear as to why I'm making that vote because you have one more vote than perhaps it would have ordinarily.

SENATOR LAMB: You have thirty seconds, Senator Landis.

SENATOR LANDIS: Thank you very much. First I would ask if the Call is still in force, Mr. Speaker?

SENATOR LAMB: Yes, and everyone is here that is not excused.

SENATOR LANDIS: Thank you. I want to point out what we have now in 591 is a bill which authorizes primary and first class cities to ask their citizens for an additional one-half cent sales tax. Ultimately this constitutes financial self-determination for those kind of cities.

SENATOR LAMB: Time is up.

SENATOR LANDIS: Thank you. Before we proceed with this vote I would ask that Senator Wesely be in his chair, I understand that he is not excused.

SENATOR LAMB: Will all senators please take your seats. We are under Call. The Clerk will call the roll.

SENATOR LANDIS: . . .not excused, I believe that he is on his way. I'd ask that since we are under Call we wait until he gets here.

SENATOR LAMB: He is excused until he gets here. Please call the roll.

CLERK: (Roll call vote.) 25 ayes, 18 nays, 6 excused and not voting. (Vote appears on page 1232 of the Legislative Journal.)

SENATOR LAMB: The bill is advanced. Before we continue we have 60 seventh grade students from St. Paul, Nebraska from Senator Wagner's district, teacher Tom Willnerd in the north balcony. Please rise and be recognized. Welcome to your legislature. LB 520, Mr. Clerk.

CLERK: Mr. President, if I may right before that Senator Lasedz would like to print amendments to LB 824 in the Legislative Journal.

LB 520, 577, 591, 604A, 623, 629, 629A,
634, 651, 659, 697, 705, 716, 724, 759,
774, 779, 784, 792, 839, 877, 931, 941,
951, 626, 961, 962

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626 up to the point where it was the other day before this misunderstanding occurred. I thank you very much.

PRESIDENT: Any further discussion? Senator Rumery, do you have any closing on the advance?

SENATOR RUMERY: Just this, Mr. President, there has been reference made to sinister moves by a lobbyist and I would like to say that Mr. Paul O'Hare worked with us and I can truthfully say that we have not considered that he was doing anything underhanded at all, and I would like to have that for the record. I ask you to move the bill.

PRESIDENT: Did I hear a request for a record vote? I figured I would. Okay, Senator, we will go to the board then. All those in favor of advancing LB 626 to E & R for Engrossment vote aye, opposed nay. Have you all voted? Record the vote.

CLERK: 25 ayes, 9 nays on the motion to readvance the bill, Mr. President.

PRESIDENT: Motion carries. LB 626 is advanced to E & R for Engrossment. You may read some things in.

CLERK: Mr. President, your committee on Enrollment and Review respectfully reports they have carefully examined LB 591 and recommend that same be placed on Select File; 520 Select File with amendments; 629 Select File with amendment; 629A Select File, and 759 Select File. (Journal page 1305.)

Mr. President, Senator Warner would like to print amendments to LB 604A in the Journal. (Page 1304 of the Journal.)

Mr. President, the bills that were read on Final Reading this morning are now ready for your signature.

PRESIDENT: While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LB 577, 601, 623, 634, 651, 659, 697, 705, 716, 724, 779, 774, 784, 792, 839, 877, 931, 941, 951, 961, and 962.

PRESIDENT: Before we go into the next matter, the Chair takes the privilege of introducing 41 Seventh Grade students from Sandy Creek District from Fairfield, Nebraska. They are up here in the south balcony, Mr. David Nienkamp, their instructor. Would they kind of just wave to us. It is so crowded up there, let's see where you are up there. Welcome to your Legislature, to the Unicameral. Ready, Mr. Clerk, on LB 870.

March 22, 1982

LR 261
LB 942, 816A, 568, 591

have passed a number of measures this year to fight crime. Crime can never be stopped completely, but that is not the state's fault no more than it is the fault if lightning comes out of the sky and strikes one of our citizens and disables them permanently. I suggest to you that if we are looking at places to cut, and if we are looking at philosophies that are false philosophies and that perhaps we shouldn't be following, that despite the political appeal of a Crime Victims Reparation Board that it is not a proper function of government. Secondly, if you look at the money we are spending, they are asking us to spend \$120,000 to distribute about \$60,000 worth of money. I suggest to you that if any charity in this state had that kind of administrative costs that you would never give another penny to it. I suggest to you that the administrative cost is much, much too high. The function is wrong in the first place and that the whole Board should be stricken. Thank you.

SENATOR CLARK: Well this is controversial. I have other lights on, so we will just stop it right here and continue on tomorrow because they told me not to go past 4:30. In Room 1019 they are going to have a budget hearing to explain the budget to you. You also have a meeting at 6:00. Senator Haberman, would you like to adjourn us until tomorrow morning, right after he reads something in.

CLERK: Mr. President, Senator Koch asks unanimous consent to add his name as co-introducer to LR 261.

Senator Carsten would like to print amendments to LB 816A. Senator Nichol to print amendments to LB 568. Senator Chambers to print amendments to 591. That is all that I have.

SENATOR CLARK: Senator Haberman, will you adjourn us until 9:00 tomorrow morning.

SENATOR HABERMAN: Mr. President, I move we adjourn until 9:00 tomorrow morning.

SENATOR CLARK: You heard the motion. All in favor say aye, opposed no. We are adjourned until 9:00 tomorrow morning.

Edited by Arleen McCrory
Arleen McCrory

9366

March 29, 1982

LR 271
LB 693, 488A, 591, 603

body applying our laws and formulating the appropriate tax rates. I do not enjoy the erosion of our state tax base by the federal government. I think it is wrong for us not to respond to the erosion of the state tax base by the federal government and accordingly I have decided to support LB 693 because at least that will tend to ensure to us as a Legislature and to the state that whatever federal changes are made that have an adverse effect on our state tax system can be countered and will be countered by the State Board of Equalization and Assessment by making a countervailing move in terms of our state tax rates. So as long as we piggyback the federal income tax system, I do think this is the appropriate policy to follow, and it is for that reason I decided to support LB 693.

SENATOR CLARK: All right, the question before the House is advancement of the bill. All those in favor vote aye, opposed vote no. Senator Carsten, did you have any closing? All right.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Record the vote.

CLERK: 25 ayes, 1 nay, Mr. President, on the motion to advance the bill.

SENATOR CLARK: The bill is advanced. The next bill we will take up after the Clerk reads in.

CLERK: Mr. President, Senator Goodrich would like to print amendments to LB 591 in the Legislative Journal.

Mr. President, Senator Chambers offers explanation of vote.

Mr. President, a new resolution, LR 271, (read). (See pages 1443 and 1444, Legislative Journal.) That will be laid over, Mr. President.

Mr. President, Senator Goodrich would like to print amendments to LB 488A in the Legislative Journal.

SENATOR CLARK: LB 603. Senator Cullan. We are going to start on this bill. We probably can't finish it before noon.

CLERK: Mr. President, LB 603 (read title). The bill was read on January 6 of this year, and at that time it was referred to Judiciary. The bill was advanced to General File with committee amendments attached. Mr. President, the bill was considered by the Legislature on March 17. At that time

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LB 787, 591, 807, 909

juvenile code. Thank you. I move for the advancement of the bill.

SENATOR LAMB: The motion is to advance LB 787. Those in support say aye, those opposed no. The bill is advanced. LB 591.

CLERK: Mr. President, right before we get to that, Senator Hefner would like to print amendments to LB 807 in the Journal and your committee on Enrollment and Review respectfully reports they have carefully examined and reviewed LB 909 and find the same correctly engrossed. (See pages 1789-1791 of the Legislative Journal.)

Mr. President, LB 591, there are E & R on the bill, Mr. President.

SENATOR LAMB: Senator Kilgarin.

SENATOR KILGARIN: I move we adopt the E & R amendments to LB 591.

SENATOR LAMB: Those in favor of adopting the E & R amendments say aye, those opposed no. They are adopted.

CLERK: Mr. President, Senator Goodrich would move to amend the bill. Senator Goodrich would like to withdraw, Mr. President. Mr. President, the next amendment I have to the bill is offered by Senator Goodrich. You had a second amendment? Okay, Senator. That will be withdrawn, Mr. President. Mr. President, the next amendment I have is from Senator Chambers. It is on page 1363 of the Journal, Mr. President.

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman, I would like to ask the Clerk, is that the one exempting caskets and vaults from the sales tax?

CLERK: It exempts...

SENATOR CHAMBERS: If that is the one it is I would like to withdraw that one.

CLERK: Yes, okay.

SENATOR CHAMBERS: I would like to withdraw that one. I ask unanimous consent.

SENATOR LAMB: The amendment is withdrawn.

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CLERK: Mr. President, the last amendment I have to the bill is offered by Senator Chambers.

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Clerk, would you read that amendment, please? I'm having a copy handed out but in case they haven't gotten it...

CLERK: Mr. President, Senator Chambers would move to amend the bill. (Read Chambers amendment as found on page 1792 of the Legislative Journal.)

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, this is a properly drafted version of an amendment that I attempted to offer earlier today. For one thing the amendment that was offered earlier today did not direct the city to decrease the tax so this drafting was done by the billdrafter. It is being offered to this bill, LB 591, because this does relate specifically to the sales tax and what it would do is just what it said, reduce by one-half of one percent the amount of sales tax that can be levied in a metropolitan city. The effect of it is this. The date that this bill, 591, would take effect, the sales tax that would be in effect in a metropolitan city would have to be reduced by that city by one-half of one percent. In order not to repeat everything that I said earlier today I'll refresh your memory only to this extent. An additional half percent has been added to the sales tax throughout the state by virtue of an amendment Senator Warner had adopted. In Omaha the amount of tax being paid right now is $4\frac{1}{2}\%$. If you adopt my amendment...well let me tell you, if the bill that was amended by Senator Warner takes effect, the sales tax will be 5% in Omaha. If my amendment is adopted it will remain at $4\frac{1}{2}\%$. The only difference is that one-half of that percent will go to the state instead of to the city. I think this is equitable. I think it is proper and for the reasons that I stated today and the little bit that I've said just now, I hope you will adopt this amendment.

SENATOR LAMB: Senator Goodrich.

SENATOR GOODRICH: Mr. President, members of the body, I rise in opposition to the Chambers amendment and I do this for two or three reasons. Number one is it is in direct conflict with what the provision of the bill is in 591 to the effect that first class cities as a result of the Peterson amendment are to get authority to levy a tax on, if they choose to do it, and that is a one-half percent sales tax which this particular amendment would then automatically take it away from them. I don't know how you do both things

in the same bill but then plus the fact that in the seven towns that already levy a sales tax, you are going to virtually bankrupt these towns, for example, Omaha, Lincoln, Bellevue, North Platte, Lewellen, Ogallala and Sidney. From Bellevue, North Platte, Lewellen, Ogallala and Sidney all levy one percent. This would automatically take one-half of that away from them. It would cost the City of Bellevue \$640,000. North Platte, it would cost them \$850,000; Lewellen, \$10,000; Ogallala, \$250,000; Sidney, \$182,000. You take that kind of a revenue source away from these towns and you're in deep trouble with the town. Now, Omaha and Lincoln. Omaha would lose \$11 million worth of revenue, Lincoln \$5 million worth of revenue. Then I conclude with this one observation. If you take the half cent sales tax away from the urban areas you are automatically reducing by one-third or \$500,000, the revenue to the State of Nebraska. As you all know the state receives that money. They charge 3% fee on handling that money. That amount is \$1,463,000 revenue to the state. You would automatically be wiping out one-third of that or about \$500,000 worth of revenue to the State of Nebraska. This is something, for example, that you are going to place seven cities in deep trouble and then by virtue of the fact that the Peterson amendment that went on, Howard Peterson amendment went on authorizing the first class cities to levy that tax, would automatically cut that back. So you're giving it to them on one hand, you're taking it away from another hand and how do you accomplish anything that way? I strongly urge you not to adopt this amendment.

SENATOR LAMB: Senator Fowler.

SENATOR FOWLER: I'd call the question.

SENATOR LAMB: The question has been called for. Do I see five hands? I do. Those in support of ceasing debate vote aye, those opposed no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Record.

CLERK: 27 ayes, 0 nays to cease debate, Mr. President.

SENATOR LAMB: Senator Chambers, to close on your amendment.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, until Senator Goodrich spoke I thought there was only one city of the metropolitan class in Nebraska but he told me just now there are seven so I'd like to ask him a question. Senator Goodrich, I thought those seven you named were the seven dwarfs but now you're telling me that they

are of the metropolitan class. Did you mean to say that as a matter of fact?

SENATOR GOODRICH: I didn't say metropolitan class cities. I said there were seven cities that levy the tax. Now you know for example as well as I do that you have not distributed this amendment to anybody so that we can see what it says.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, that is why I had asked that it be read but the paper that I did hand out stated specifically that it deals with the Omaha sales tax, that it is a replay of the amendment that I offered earlier and the Clerk did read the amendment and it specifically said, "a city of the metropolitan class." You know that I am talking about Omaha. I stated Omaha throughout all of my discussion. Even with the proposition that Senator Landis is trying to get passed, perhaps these cities if they were granted the authority to levy a tax, might not do so if they become aware that the state has added a half percent to the sales tax anyway. But none of Senator Goodrich's remarks dealt with the amendment that I am offering. It limits itself to cities of the metropolitan class. There is only one such city in the state and that city is Omaha. Omaha is the city with a 4½% sales tax and that is what I am limiting the amendment to. I live in Omaha. I represent the best interests of the people in Omaha and if I'm not, there is a way that they can deal with me but the issue before us this evening is the one that I have presented to you in my amendment and I hope that you will adopt it. It deals only with cities of the metropolitan class which means only Omaha. So those people in Bellevue, Grand Island and every other city that Senator Goodrich mentioned, this amendment does not pertain to your city at all and I am hoping that you will adopt it. But because of the lateness of the hour and the fact that people have other things to do, I'm going to ask for a Call of the House and a roll call vote so that a lot of time won't be wasted resolving this issue.

SENATOR LAMB: The motion is, shall the House go under Call. Those in support vote yes, those opposed vote no. Record.

CLERK: 12 ayes, 2 nays, Mr. President.

SENATOR LAMB: The House is under Call. Will all legislators please record your presence. All unauthorized personnel leave the floor. Senator Newell, Senator Schmit, Senator DeCamp, Senator Chronister, Senator Vickers, Senator Marsh and Senator Higgins. Senator Marsh, would you record your presence, please. We're looking for Senator Vickers and Senator Higgins. Shall we begin the roll call, Senator?

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Begin the roll call, Mr. Clerk.

CLERK: (Read roll call vote as found on pages 1792-1793 of the Legislative Journal.) 13 ayes, 26 nays, Mr. President.

SENATOR LAMB: The motion failed.

CLERK: I have nothing further on the bill, Mr. President.

SENATOR LAMB: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, there are no new arguments, no new pieces of information. I move the advancement of LB 591 and let's see where the votes lie.

SENATOR LAMB: Senator Wesely. Senator Kahle.

SENATOR KAHLE: Mr. President and members, I think we had the best example this morning that we could get on what happens when we do this. Whenever we want to put a sales tax on across the State of Nebraska we will certainly receive some opposition from those cities that have the extra half cent or cent, whatever they are allowed. I think this is the wrong time in history to promote this sort of thing because I am not sure we are going to have to go to a cent across the state and maybe even higher in order to bring in enough money to keep the state going even at a reduced rate. So I think the responsible thing to do is to check this thing right now before we even get any farther with it. As I said before the other day when I argued about this issue, the people of Lincoln would really be kind of silly if they didn't vote for it because of the income that they would receive from, I guess I say those suckers outstate. I'm not sure that is quite correct but there certainly would be an influx of money coming into the City of Lincoln because it has the government here of the state and also the college, university, and many, many other things that have to be here because it is the capital city. So I certainly urge you not to add to the problems that we already have with this situation and again, I mentioned this morning when we voted to put an extra half cent across the State of Nebraska and all the noise we heard from Omaha because their taxes would be 5%, so I think that is all I have to say. Use your own judgment. I think it is a mistake if we allow this to happen across the State of Nebraska.

SENATOR LAMB: Senator Koch, on the bill.

SENATOR KOCH: Thank you, Mr. Chairman, a question of Senator Landis.

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LB 591

SENATOR LAMB: Senator Landis, would you respond?

SENATOR LANDIS: You bet.

SENATOR KOCH: Senator Landis, are the Class I cities still in this bill?

SENATOR LANDIS: Yes, they are.

SENATOR KOCH: Thank you. That is enough for me. I won't vote for a half cent for Nebraska as long as they are in there.

SENATOR LAMB: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, I didn't happen to be here this morning but I picked up some of the, I guess the discussion that took place while I was gone and I know that the arguments that are voiced by Senator Kahle and the concerns expressed by Senator Koch are felt by many of us. For four years now I have proposed a statewide sales tax and a revenue sharing basis for all the cities, counties and schools in the state. I think it is the only equitable way to go. I know it is not an easy solution. I know it is one which requires this body to sit down and face the issue realistically but for as long as I have been here we have been putting another patch on the quilt, another shingle on the roof. That is exactly what we are doing now. We are going to help the City of Lincoln and I certainly am not opposed, Senator Landis, to doing that. I know that the city has their problems but you can be assured that every single city and county in the state are going to have problems. Senator Goodrich brought tears to my eyes with his concern for those seven outstate cities that were going to lose some money under that amendment previously proposed, he thought, the Chambers amendment. He doesn't seem to have the same concern for the two-thirds of the counties, the innumerable cities, school districts that are going to lose a lot of funds under LB 816. Those same governing bodies are going to have the same problems that they have here in the City of Lincoln. This Legislature has the authority and it has the responsibility to attempt to try to assist them in resolving that problem. So long as you get more than, there's more than 25 of us have resolved the problems for our local subdivisions, then for all practical purposes, Senator Goodrich, the problem goes away. Now I don't think that is responsible legislating. I sat in this seat a number of years ago when the additional one-half cent was vetoed by Governor Exon for the City of Omaha and because I thought I was doing the responsible thing because I was assured, reassured and promised with tears in the eyes of I don't know how many councilmen and the mayor that it would only be a short term

measure. I gave that vote to override the Governor's veto. Since that time you know the history. So what I am saying here tonight is that if you resolve the problem for Lincoln and the problem is resolved for Omaha and the economy continues to deteriorate and I don't know, you have to be more of an optimist than I am to think it is going to turn around, that we would be back here at some point in time in the not too distant future and we will be using the meat cleaver and the double bladed axe to make some substantial cuts in spending because we won't have the revenue available for the state government. So unless we are willing to address the entire issue I'm not willing I guess at this time to bail out the cities one at a time although at this time I guess, however, we're putting in another twenty-seven first class cities but that means that second class cities and the villages of which there are many, many across the state are going to have to face their own problems individually and they simply do not have the resources to do that. There is no way for them to turn except drastic increases in property taxes and there are many people out there, ladies and gentlemen, who have the same problem paying their property taxes that the good citizens of Lincoln and Omaha and the first class cities have to face. So at this time I'm afraid I cannot vote for 591 although I would vote for a bill which would impose a tax across the board...

SENATOR LAMB: One minute, Senator.

SENATOR SCHMIT: ...and would give everyone a fair share of the revenue.

SENATOR LAMB: Senator Fowler.

SENATOR FOWLER: Call the question.

SENATOR LAMB: Do I see five hands? I do. Those in support of ceasing debate vote aye, those opposed no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Record.

CLERK: 26 ayes, 10 nays to cease debate, Mr. President.

SENATOR LAMB: Debate is ceased. Senator Landis to close.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, as one of those who supported the motion this morning to raise the sales tax, I find it ironic that I am also the introducer of this bill particularly because the argument that certain cities will be unlikely to support sales tax

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LB 591, 520

increases can't be borne out by the City of Lincoln who at this time does not enjoy a half cent sales tax permission under this bill. The argument is one of an ad hominem nature and simply can't be shown by the voting pattern on a hypothetical question like we were suffering under this morning, at least with respect to the City of Lincoln and the authority granted in 591. I simply want to ask the consideration of the body for the right of Lincoln to ask its voters to utilize the sales tax as a mechanism of raising revenue and I move the adoption of the bill.

SENATOR LAMB: The motion is the advancement of the bill. Those in support vote aye, those opposed vote no.

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Senator Landis.

SENATOR LANDIS: This is going slowly. Why don't we just... I'll wait for a minute and then...

SENATOR LAMB: Have you all voted? Record.

SENATOR LANDIS: I would like a Call of the House and a roll call vote, please.

SENATOR LAMB: Those in support of a Call of the House vote aye, those opposed no. Record.

CLERK: 19 ayes, 2 nays to go under Call, Mr. President.

SENATOR LAMB: The House is under Call. Please record your presence. Senator Higgins and Senator Hoagland are the two people we need. Would the Sergeant at Arms try to find Senator Higgins. Senator Landis, we're all here except Senator Higgins is in the phone booth. Shall we begin the roll call?

SENATOR LANDIS: Could we take call in votes for a moment? Senator Higgins is on the line with a very personal call and I don't think wants to be disturbed right now.

SENATOR LAMB: Call in votes are authorized. Proceed with the roll call, Mr. Clerk.

CLERK: (Read roll call vote as found on pages 1793-1794 of the Legislative Journal.) 25 ayes, 18 nays, Mr. President.

SENATOR LAMB: The bill advances. The next bill is LB 520.

CLERK: Mr. President, I have E & R amendments to LB 520, Mr. President.

April 8, 1982

LB 761, 754, 807, 970,
970A, 531, 480, 591,
629, 629A

CLERK: Mr. President, your Enrolling Clerk has presented to the Governor the bills that were read on Final Reading this morning (LBs 761, 754, 807, 970, 970A and 531).

Your Committee on Enrollment and Review respectfully reports they have carefully examined and engrossed LB 480 and find the same correctly engrossed, 591 correctly engrossed, 629 and 629A all correctly engrossed.

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LB 568, 480, 591, 629, 629A

ASSISTANT CLERK: (Reading of LB 568 on Final Reading continued.)

SENATOR CLARK: Will you get back in your chair please? These are not my rules, they are the rules of the Legislature and we have to abide by them if we are to have any decorum at all. The Clerk will continue.

ASSISTANT CLERK: (Reading of LB 568 on Final Reading continued.)

SENATOR CLARK: All provisions of law according to procedure having been complied with, the question is, shall the bill pass? All those in favor vote aye, opposed vote nay.

CLERK: Senator Clark voting yes.

SENATOR CLARK: Have you all voted? Once more, have you all voted? Record the vote.

CLERK: (Record vote read. See pages 1917 and 1918, Legislative Journal.) 44 ayes, 2 nays, 3 excused and not voting, Mr. President.

SENATOR CLARK: The bill is declared passed on Final Reading. We now have to have a motion to read the next four bills, to suspend the rules. Senator Lamb. The only bill we are not going to read is 591 I understand. Senator Landis.

SENATOR LANDIS: Mr. Speaker, I would just request consent to pass over 591 and not include it in the motion to suspend the rules.

SENATOR CLARK: Do you want to read it today?

SENATOR LANDIS: No, that is all right.

SENATOR LAMB: Mr. President and members, I move to suspend Rule 6, Section 7, to permit consideration on Final Reading of LB 480, 591, 629, and 629A.

SENATOR CLARK: We are not going to read 591. He wants to pass over that one.

SENATOR LAMB: It takes 30 votes though to overrule the Speaker's order.

SENATOR CLARK: All right, you heard the motion. Senator Landis.

SENATOR LANDIS: I would like if I could...this is a motion to suspend, is that right?

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SENATOR CLARK: That is right. We will have to take that motion up first before we do anything else. If you want to do that, you will have to change the Speaker's order.

SENATOR LANDIS: I know that. Do I have to wait until after the motion?

SENATOR CLARK: Yes, you will. The question before the House at the present time...that is not divisible. There is only one thing before the House. There is only one thing before the House at the present time and that is to suspend the rules to read the following four bills. That is a motion by Senator Lamb. Senator Newell.

SENATOR NEWELL: Is the motion divisible?

SENATOR CLARK: I don't think it is divisible, no. When it gets done, then we can take up his motion. You can vote on that. Yes, go ahead and offer your amendment. I will let you amend the motion. There is an amendment on the desk. The Clerk will read.

CLERK: Mr. President, Senator Landis would move to amend Speaker Lamb's motion by deleting the reference to LB 591.

SENATOR CLARK: Is there any discussion on the amendment? Senator Chambers, your light is on.

SENATOR CHAMBERS: Yes, and Mr. Chairman, before I engage in that discussion, I would like to ask a question so that I understand any rulings that may be made reference to a division of a question. Paraphrasing the rule, any motion that is put which allows that motion to be broken into segments and the segments into which it is broken can each stand by itself, that question is divisible so I would like to know why this particular motion is not divisible when each bill could be considered alone without affecting the others?

SENATOR CLARK: Well, I will agree with you. It is right. That is the reason I accepted his motion.

SENATOR CHAMBERS: I don't mean to amend.

SENATOR CLARK: I know but that is the reason I accepted his motion to amend. It will do the same thing.

SENATOR CHAMBERS: But I would still like to know whether or not you are ruling the motion is not divisible?

SENATOR CLARK: I don't think it is right.

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SENATOR CHAMBERS: Could you explain why?

SENATOR CLARK: I say I don't think it is right. I don't think my ruling was right.

SENATOR CHAMBERS: Oh! I am sorry. I am sorry. All right, then what I am going to say now...Mr. Chairman, I didn't understand what you said. I support Senator Landis' motion even though I don't support his bill and I don't know why Senator Lamb would insist on suspending the rules to read a bill when it is not to be read according to the way he set the schedule over the objection of the introducer of the bill. If this is vindictive time, we ought to know it, but even if that is what it is, I cannot support what Senator Lamb is doing. I think it would generate some unnecessarily harsh feelings early in the next to the last day so I am going to support Senator Landis' motion even though as I say, Dave, I am not going to support your bill.

SENATOR CLARK: Senator Cullan.

SENATOR CULLAN: Mr. President, members of the Legislature, I really am not too concerned about Senator Landis' city sales tax bill. Quite honestly I don't know whether I will support it or not. I am leaning against it but I have never seen a time when an individual couldn't pass over his own bill and I think it is unfortunate that an introducer of a bill could not...it would be forced to have a bill of his read at an inopportune time and I think that Senator Lamb ought to reconsider this so that we don't have to take a vote on this. I think it is just a matter of courtesy. If a legislator doesn't want his bill to be read for one reason or the other, why should he be forced to have his bill read.

SENATOR CLARK: Senator Dworak. Senator Labeledz.

SENATOR LABEDZ: Thank you, Mr. President. I just wanted to say that yesterday when I tried to delay my bill a Lincoln Senator objected.

SENATOR CLARK: Senator Lamb.

SENATOR LAMB: (Mike off) and members, I might just explain what the problem is at this late date. If there should be for one reason or another a lot of people want to do the same thing, we are forced then to an impossible situation because you have all the bills coming up on the last day and it is very difficult to do everything in one day, and as you can see with all the resolutions that we have, we

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have a couple of very full days. So if we continue to lay bills over to the last day, I don't think anybody can predict how our time frame will come out.

SENATOR CLARK: Senator Landis, do you wish to close? Senator Vickers is on now.

SENATOR VICKERS: Mr. President, members, I wonder if Senator Lamb would respond to a question please. Senator Lamb, the agenda that we had today had several bills crossed out. How did that happen that those bills were crossed out? Were those at the request of the individuals?

SENATOR LAMB: That is a very good question, Senator Vickers. The reason is that we put amendments on those bills yesterday so they are not eligible to be read until Friday.

SENATOR VICKERS: Okay, thank you.

SENATOR CLARK: Senator Nichol.

SENATOR NICHOL: Mr. Chairman, members of the Legislature, it doesn't seem right that simply because somebody has their name on a bill, it is their bill. Once that bill is to Final Reading, it is our bill I would think so I don't think you can claim possession of a bill all the way over to Final Reading. Just a thought in passing.

SENATOR CLARK: Senator Haberman.

SENATOR HABERMAN: Mr. President, I have a question of Senator Lamb please.

SENATOR CLARK: Senator Lamb.

SENATOR HABERMAN: Senator Lamb, does not then if we do pass over 591, does it not then go to the bottom of the list?

SENATOR LAMB: Well, I think the motion will be or is or will be to not read the bill today as I understand. And it would come up on the list on Friday.

SENATOR HABERMAN: At the bottom of the list though, beings that we are passing. The other bills will be able to have their turn and this one will have to go to the bottom.

SENATOR LAMB: I assume that would be the case.

SENATOR CLARK: Senator Marsh.

SENATOR MARSH: Just a comment in passing, Mr. Speaker, the

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bill we are talking about is such a long bill. It is all of three pages.

SENATOR CLARK: Senator Landis, do you wish to close?

SENATOR LANDIS: Yes, I do. Something is afoot. Ah-h-h! Even Dave, slow as I may be, can figure that out. This is not the normal order. This bill coming up today is not the normal order. That is why we are suspending the rules to make it come up today. There are, what, 20 to 25 candidates for these kinds of choices that could come up on Friday and these four have been pulled out, not at my request, not at the request of anybody on behalf of 591, but out of the candidates for consideration on Friday, four bills have been pulled out for some reason to suspend the rules to have them come up today. Now neither I nor anybody else that I know of that has pushed the bill has requested this special treatment that the Speaker has chosen to exhibit in this case by taking it out of the normal order and giving it this special priority and I don't understand why this bill is being singled out. I guess I do. I guess Senator Lamb probably has some strong feelings about any number of recent issues perhaps but there is no rhyme or reason to the selection of this bill compared to any of the other 20 or 30 bills that we will be looking at on Friday. This is out of the normal order and not at the suggestion of somebody who wants to have it considered, and although I would expect the Speaker to be upheld, it is my contention that special and vindictive treatment is being used by the selection of this measure and I for that reason object to the treatment and have sought to have it deleted from this list.

SENATOR CLARK: Senator Lamb, do you want to respond to that?

SENATOR LAMB: Just one comment, that is not true what Senator Landis said. We took all the bills that could possibly be read today and put in that category. Now the reason for that is so that we can get them passed today and the Governor can have them over there and we have an override capability. Now that was not singled out. All the bills that were eligible to be read today are on the list. No bill was singled out but the rules have to be suspended because they have not been on your desk for two days. So all those bills are here and the reason for it is not what Senator Landis indicates. It is because we want to get the Final Reading out of the way as soon as possible in order to clear the agenda and also to allow override potential in this body.

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SENATOR CLARK: The question before the House is the Landis amendment to the Lamb motion. All those in favor vote aye, opposed vote nay. 25 votes. Have you all voted? Once more, have you all voted? Record the vote.

CLERK: 25 ayes, 8 nays, Mr. President, on Senator Landis' amendment to Senator Lamb's motion.

SENATOR CLARK: The amendment passes. Senator Lamb, did you have any closing? The question before the House then is the Lamb motion as amended. All those in favor vote aye, opposed vote nay. It is going to take 30 votes. Record the vote.

CLERK: 36 ayes, 0 nays, Mr. President, on the motion to suspend the rules.

SENATOR CLARK: Motion carries. The bills will be read. The Clerk will read 480.

CLERK: Mr. President, LB 591, the next bill scheduled for Final Reading, I have a motion from Senator Kahle to return the bill to Select File for a specific amendment, that amendment being to strike the enacting clause.

SENATOR KAHLE: Mr. President and members, there is one thing I promised myself when I got out of bed this morning is that I wasn't going to get angry today. I really think this is the wrong time and you have heard some of the other arguments that I have been getting about my thoughts on city sales tax but there is a couple of points I would like to make. The city officials of Lincoln themselves have said they do not need this money at the present time. Of course we attached an amendment to the bill which allows all first class cities to not only put on the one cent sales tax they have already but also another half cent. Due to the economic changes that we are in right now I think this is a very poor time to be making this kind of a decision. If you remember the other day when we talked about the half cent sales tax that we voted now to put on across the State of Nebraska this next year, at least for a year, we immediately got some flak from some of the Omaha senators saying, my goodness, our sales tax will be five cents now. And I guess if Lincoln would add their half cent and several other cities would decide to, in future years if we wanted to increase the sales tax across the state and we've had many bills which would do that, we had several this year dealing with water issues and we've already had to add a half cent this year to make our state solvent. I'm not even sure that the half cent is going to do it. It really doesn't make much difference how much we raise this tax, if people aren't buying and making money we are not going to get the funding in. So with that, I am as sincere as I can be about this and I am not going to withdraw this amendment. I am going to run it because I think we need to look at this and I'm sure you know all the reasons that we talked about before, how this affects the outstate Nebraska people that come into the...especially the City of Lincoln, that have to do business here, an amount of money that is left here by outstate Nebraska. Senator Sieck has prepared some information and I would hope that as we progress with this issue you will give him a chance to tell his side of it and how much money actually comes into the City of Lincoln from outstate Nebraska. So with that, I move for the return of LB 591.

SENATOR NICHOL: Senator Landis.

SENATOR LANDIS: I will wait for Senator Sieck.

SENATOR NICHOL: Senator Marsh.

SENATOR MARSH: Thank you very much, Senator Nichol and

members of the Legislature, I would like to remind Senator Kahle that no area needs to make use of this bill and furthermore, no area can until there has been a vote of the citizens. This is a tool for flexibility within the hands of citizens of our state and Senator Kahle would take that privilege away from the citizens. They may choose to say no, they may choose to say yes, but in this time of very difficult financial situation for our state, our citizens need that flexibility and I believe that citizens should have the right to make that decision. I strongly support 591 and I trust there are enough thinking persons in this legislative body who will see 591 for what it is, a tool to be used in this economic situation in which the State of Nebraska finds itself. I urge your rejection of Senator Kahle's motion and your support for LB 591.

SENATOR NICHOL: Senator Wesely. Senator Beutler. Senator Sieck.

SENATOR SIECK: Mr. President and members of the body, this is the first time in my life that I have had others plan to have me speak first. I do appreciate this because they do have some figures that they are going to be a little amazed about. I did some research over the weekend and was curious how much money from outstate Nebraska is funneled into the cities themselves. Using the 3% figure as a state tax, Omaha receives \$75,393,163. Of this, if we would distribute it by population across the state evenly, Omaha would get \$52 million. Lincoln collects, and using the 3%, \$30,912,000 or almost \$31 million. Distributing it by population they get \$28,600,000 so that tells me that outstate Nebraska is giving the City of Lincoln with the 3%, \$2,312,279. Now if we increase the sales tax as Omaha has got it at the present time the increase of that 1.5% in Omaha gives them \$11,062,000 that comes from outstate people or from Iowa or whoever goes to the races and such like, over and above what they collect within their own city and in Lincoln it isn't as great. The 1% that they presently now have is only \$762,000 that they are collecting from outstate Nebraska. In other words, when I come to Lincoln and spend money this is money they get from me even though I have to support my own local government. But I thought this information would be useful for you to make your decisions on this bill and other bills that are coming forward. Now I deliberately kept this from you because I didn't feel that I should jeopardize 591 any more than I had to so the balance of the senators are not getting this information until later because I have another bill that is coming up that I am very upset with. This one I have been supporting in the past but today I will not support it. Thank you.

SENATOR NICHOL: We will go back to the top of the list now. Senator Landis.

SENATOR LANDIS: Thank you for not distributing the information, Senator Sieck, in order not to jeopardize LB 591. I am so glad to be kept in the dark here so that I don't have a chance to take a look at the figures and where they are from and what it was that they were supposed to mean. It is also interesting because if nothing else, it contradicts Senator Kahle's arguments made on General File and Select File that millions are being extracted from outstate people at the hands of Lincoln merchants. In fact, you've documented that Senator Kahle is entirely wrong with that assumption that his figures are way overestimated when he runs into the millions of dollars figures. I do find an irony in that these figures as you stated were interesting for this bill and other bills, was your phrase, and I guess that is what we are talking about here, isn't it? I can't stop anybody on this floor from voting a vindictive or retributive vote. There is no way to do it. It is a matter of individual conscience. I understand Senator Kahle has genuine policy arguments with LB 591. That doesn't puzzle me. That doesn't surprise me. He has exhibited them in committee. We had an amicable but divergent conversation at that point. We have had it on Select File. We have had it on General File. This does not surprise me. Senator Sieck's change of vote, however, at this late date seems to me to be tied, not to the tenet of 591, but perhaps to other parts of our agenda. I suppose this is the chance if you are looking for it for retribution and for being vindictive on policy questions, on fiscal questions that are going to come up later in the morning's debate. I can't stop you from doing that. I will try personally very hard to make sure that I vote on bills as they come up one by one on their policy implications. What I hope to be able to say to you is that I won't return in kind this type of treatment. I will try very hard to make sure that when I vote, I vote on the policy implications of the question before me, absent its place on the agenda, absent the other questions of the day and whether or not I have won or lost the one or two or three issues before that time, but whether or not the law is a good one and a wise one and if it is I intend to support it and if it is a bad bill, I hope very much that I will have the strength to oppose it simply because it is a bad bill. I have made some votes recently as others of my colleagues have that have angered a lot of people. I can't apologize for that. I made those votes in good faith based on my reading of the values at play. If we disagree, so be it. If this is your response, so be that as well. I hope not to respond in kind. Finally, let me just point out that 591 is an optional piece of legislation. It continues the fabric of policy we began in the last several years and I see no reason to foreclose the City of Lincoln asking its citizens, as the City of Omaha has done, for the authority to

levy a half cent sales tax. I hope the body will agree with that. If it doesn't, well that is the breaks of the game. I will understand but the motives involved are very significant to me. You can't coerce my vote or those of I believe of my colleagues or compel them by holding captive valuable, important, positive pieces of legislation. Thank you.

SENATOR NICHOL: Senator Wesely.

SENATOR WESELY: Mr. President, members of the Legislature, I haven't spoken on this bill to this point and I am going to be very brief, I hope, to express my opinion about it. I guess first I am surprised about Senator Sieck since he doesn't live that far from Lincoln, if he considered himself outstate. He can't be more than ten miles from the city but we will let him define what outstate Nebraska is. I don't know where his figures came from. I don't know why his concerns have arisen at this point. Senator Landis mentioned the possibility of retribution. I can't say whether that is a motivation or not but let me just say this. I have been a reluctant supporter of LB 591 when it was brought up last fall. I said I was leaning against it. What changed my mind is the fact that the bill allows for an increase in the city sales tax only through a vote of the people. That is the difference in my mind that allows me to vote for this bill even though I may not support the increase itself when it is on the ballot next November if it is placed on the ballot. I am a reluctant supporter for a number of different reasons. I opposed the Omaha city sales tax increase because of the concern I have for the base of tax support that our state needs to operate state government in our programs. I still am concerned about that state tax base. However, I have seen in this Legislature every year since I have been down here that efforts to try to have a better solution which I think would include a revenue sharing program along the line that Senator Schmit has been proposing. It makes more sense but doesn't get anywhere in this Legislature and so after seeing year in, year out failure to try and develop a program that has a state sharing revenues with local government so we wouldn't need a city sales tax, it only makes sense in my mind at this point to allow as an interim period this increased authority if the people would allow for it through a vote. The opinion polls that have come out in Lincoln show that there is opposition to the sales tax increase. I believe the figure is about 41% approval and 55% disapproval. Your support for LB 591 does not mean the city will increase its city sales tax. The people will decide that matter and because the issue will be up in November you will have a chance between now and then for the city, number one, to adopt its budget. Number two, the federal government will

have pretty well adopted its budget or they should if the Congress doesn't take too long again and by November the people will have a very clear idea of where the city is, where the federal government is and they will already have known where the state government is and be able to assess whether or not they want to have an increase in their city sales tax. If they decide to tax themselves an additional half cent sales tax then I think that is a decision they should be allowed to make. I can't say at this point whether that would receive support or not, whether I would support it or not. All I can say is I have faith in the people and I have faith that they will vote in the best interests of the city. Now I know that there has been a lot of talk about the relation between this bill and 816 and concerns about vote trading, what have you. All I can say is I know several of you have talked to me about support for this bill being contingent on my support for other legislation. I have always turned down those requests. I don't think vote trading is appropriate in this situation and if it means the loss of this bill then I think the integrity of this body is more important than the passage of this legislation. I felt that from the time it was introduced. I feel bad that some people would take that action though, will try to link legislation like this and try and use it against us but I'm telling you it is not going to work. As I said, I am a reluctant supporter and I do feel that the people of the City of Lincoln will vote in the best interests of the city and that is why I am...

SENATOR LAMB PRESIDING

SENATOR LAMB: One minute, Senator.

SENATOR WESELY: ...willing to support the legislation but to kill this bill at this point and not allow that vote and allow other first class cities the opportunity to decide for themselves what to do in this area doesn't make a whole lot of sense. I ask your opposition to the kill motion.

SENATOR LAMB: The Chair recognizes Senator Beutler.

SENATOR BEUTLER: Call the question.

SENATOR LAMB: The question has been called for. Do I see five hands? I do. Those who wish to cease debate vote aye, those opposed no. Record.

CLERK: 27 ayes, 4 nays, Mr. President, to cease debate.

SENATOR LAMB: Debate is ceased. Senator Kahle to close.

SENATOR KAHLE: Mr. President, if I have some time left Senator Schmit would like to help me with the closing. First, on Senator Marsh's statement that we should let the people of Lincoln decide, I think they would be mighty foolish not to vote for a half cent sales tax even with Senator Sleck's figures which I question somewhat. 7% of that income would come from outside of the city. So I think personally it is more than that. Another thing, I am glad Senator Landis mentioned that I opposed the sales tax situation ever since we started. In fact, I have been against it for six years now, to allow cities to have a sales tax, so I don't know where he is coming from. He is certainly not talking to me when I am trying to get even. I don't like what happened with 816 but that is another issue. I don't like what happened to 816 but I hate the idea that cities can take the taxing ability away from the State of Nebraska. So I hope that doesn't hold water, at least in my case. I just cannot believe that we should allow, especially the capital city of our state, to tax its citizens when they come in here because they have to, not because they want to. So I hope you will vote for the return of LB 591 and that we can put it off at least for another year to see what our economy is going to do. With that I relinquish the rest of my time to Senator Schmit.

SENATOR LAMB: Senator Schmit.

SENATOR SCHMIT: Thank you, Senator Kahle. It is rather amazing, I would guess, that there are people here today who represent the City of Lincoln and represent the city well who would express shock and dismay that there might be some tinge of retribution involved in the opposition to LB 591. It is especially amazing that it comes from my young friend, Senator Wesely, who rose in righteous indignation I guess last Wednesday night at something like eleven forty-five to offer a motion to override a veto of a bill designed to block an effort by several of us to bringing about consideration for additional bills, some of which of course had no interest to Senator Wesely and of course at this time he expresses his concern that there might be just a tinge of retribution. Let me suggest that under LB 816 I believe Lancaster County gains only about \$500,000. They would pick up about \$2 million I believe from a half cent sales tax and I am not tied to those figures. I think we have to recognize as we saw here on the floor when it was necessary to raise the sales tax to 3.5%, the concern that was expressed by the residents of the larger cities because of the fact it would raise their taxes to 5%. I think we have to recognize that we have required frugality on the part of state employees, required on the part of many other portions of government and I do not believe at this time it is good business to support the passage of LB 591. I remember well the times that I have

supported those bills in the past on an emergency basis only to find that they become permanent and once they become firmly established in the budgets of those cities, then we are faced with what we hear time after time, we can't afford to do without the funds. Let me suggest to you that it will be extremely difficult for many of us to go back to seventy-one rural counties and explain to those counties that they must do without, in some cases as much as 60% of the funds they formerly received from the personal property tax fund.

SENATOR LAMB: One minute, Senator.

SENATOR SCHMIT: I want to ask you to, as Senator Landis has said, judge the bill on its merits, vote it up or down on that basis and I think that on that basis you can vote with a clear conscience and I do not believe the bill will pass.

SENATOR LAMB: Senator Kahle, you have about forty seconds.

SENATOR KAHLE: I really don't need that. I hope you will vote for the return of the bill but I would ask that we check in and get a roll call vote on this issue.

SENATOR LAMB: The motion is to return the bill for a specific amendment. A roll call vote has been requested. Please record your presence. We are looking for Senator Burrows, Senator Warner, Senator DeCamp. Would the Sergeant at Arms get all the senators in their seats, please. Senator Goodrich, Senator DeCamp. We are waiting for Senator DeCamp. Please begin the roll call.

CLERK: (Read roll call vote as found on pages 1963-1964 of the Legislative Journal.) 20 ayes, 25 nays, Mr. President.

SENATOR LAMB: The motion fails.

CLERK: Mr. President, Senator Chambers would move to return LB 591 to Select File for a specific amendment. That amendment would be as follows: "Add the following section: Any city of the metropolitan class shall reduce its sales and use tax by one-half of one percent."

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman, members of the Legislature, there are many forces swirling in the legislative chamber this morning and those of us who are part of the Legislature know what some of those forces are. There is a certain arrogance that comes with power and if one group, one individual, whether you call it a coalition or a dictator can impose his

or their will in a given situation, there is a certain arrangement that comes along with that. So I think this bill, 591 is doomed. It is an unclean thing, not the bill itself, but the way it is being considered. So I am trying to bring a clean thing out of an unclean thing. There are power brokers that would be power brokers in Omaha and from Omaha. They disregard the interests and welfare of the people as a whole, they play politics, they will use any situation or anybody's plight to advance their own interests. In politics since this is expected and nobody expects a politician to have very high morals or standards of ethics, I guess it is supposed to be allowable. Now I do have some principles. I know that out of every bad situation something can be salvaged if it is handled in the proper fashion. I have been opposed to the sales tax in Omaha. I have been always opposed to the sales tax on food. With the addition of a one-half percent sales tax the tax in Omaha now is 5%. As I have said on many occasions and others have too, poor people spend a disproportionate amount of their income for utilities and food. So even though the tax is a flat 5% rate, the percentage of a person's expendable income is much greater for food and utilities than it would be for those who have a lot of money. So the 5% for a rich person may be negligible. 5% for a poor person means the difference between having certain items of food and not having them, being cold and not being cold. So what I would like the Legislature to do, whatever your motives, whoever you desire to punish, whatever message you desire to get across to whoever you are interested in getting a message across to, help me bring this bill back and attach this amendment. I will be very frank about what my intention is. It is to take a bill which is doomed and use it to give a message to the people in Omaha. I don't mean just the citizens now. There are two messages. One is to the power brokers and would-be power brokers, that they cannot run roughshod over everybody and get away with it. The message to the populace is that there is some concern about the rate of taxation that they are being required to assume. So what I want to do with a doomed bill is take it and convey a message which message is valid, is justifiable. If you want to compare what I am doing to the discovery of penicillin you can. There was a mold that formed and from a study of this mold was the discovery of penicillin. That is a gross oversimplification but mold generally is considered a bad thing. LB 591 is a mold now. We can extract from that mold a healing substance. That is what I want my amendment to do. So I am asking that for whatever private motives you may have for being against this bill, you will support the return of it in order that I might add this amendment. I am serious about it. I tried to add it to other bills earlier in the session and my intentions have never been concealed. I am opposed to the tax on food. I am opposed to the state's tax base being eroded by allowing

the cities to levy a tax. I hope you will support this motion.

SENATOR LAMB: Senator Landis.

SENATOR LANDIS: I would call the question.

SENATOR LAMB: The question has been called for. Are there five hands? There are. Those in support of ceasing debate vote yes, those opposed no. Record.

CLERK: 35 ayes, 0 nays to cease debate, Mr. President.

SENATOR LAMB: Debate has ceased. Senator Chambers, do you care to close? The motion is the adoption of the Chambers amendment....the motion is to return the bill for a specific amendment. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR CHAMBERS: To save time and to have a record which I would want anyway, I would like a roll call vote.

SENATOR LAMB: A roll call vote has been requested. Please begin the roll call, Mr. Clerk.

CLERK: (Read roll call vote as found on page 1964 of the Legislative Journal.) 19 ayes, 26 nays, Mr. President.

SENATOR LAMB: The motion failed. Before we continue I would like to introduce three students from Ainsworth which happens to be in my legislative district and their teacher, Denise Clem, in the North balcony. Would you please stand and be recognized. Also we have some students from Senator Schmit's district. We have five first through eighth grade students from Wahoo. The teacher is Janice Odvody. Would you rise and be recognized. Welcome to your Legislature. Also from Senator Schmit's district, four first to third grade students from Bellwood and the teacher, Dorothy Oltmer. Would you rise and be recognized. Thank you for visiting your Legislature.

CLERK: Mr. President, I have a motion on the desk.

SENATOR LAMB: Read the motion.

CLERK: Mr. President, Senator DeCamp would move to return the bill to Select File for a specific amendment. The amendment would read as follows: "Any city of the metropolitan class shall reduce its sales and use tax by one-half of one percent effective July 1, 1983."

SENATOR LAMB: Senator DeCamp.

SENATOR DeCAMP: Mr. President, now before everybody gets bent out of shape or thinks anybody is retaliating or doing anything, that is not the case. I wish you would listen. I am kind of halfway serious, in fact, real serious. 816 is pretty obviously going to go ahead. Now 816 makes a major and fundamental change in the tax system. It takes a good portion of the state's tax base, sales and income tax, and puts it into the very areas, the very areas, Omaha, Lincoln, some of the primary class cities, that were needing this additional increase in their sales tax because they lack funds. That was the reason for it. And remember we gave Omaha the increase because of the emergency nature and because they didn't have enough money. Now Omaha is getting under 816 and they are related, let's face it, they are getting a mass of additional dollars, \$6 million additional. If you want to restore the tax base of the state like you all claimed and go back to that basically 1% rather than having it creep up, then you will do two things. First of all, you will not go ahead and extend it to a whole bunch of new cities and, second, you will send a signal to Omaha that because of the change of the tax system they have approximately one year, in other words, until next year, to do something. Now you say, well this bill can't pass if you return it. That is correct. So you've accomplished your two purposes. You have sent the signal to Omaha that we are changing the tax system and we are going to return to an absolute 1%, particularly in light of the additional funds they now have to meet those emergency problems and they have a year to phase it in. I think it is a reasonable amendment and I think if you are serious about wanting to hold onto the state tax base it is a legitimate approach. I repeat again, it sends a signal and says you've got about a year, that is the mood of the Legislature, and it says to all the other cities, with the change of the overall tax system we are accomplishing this year and probably more next year, it is time to start restoring the state tax base. That is all it does and I think maybe this is a reasonable approach.

SENATOR LAMB: Senator Newell.

SENATOR NEWELL: Mr. President, members of the Legislature, I am going to work real hard at adopting Senator Kahle's resolution for the day and that is not to get angry but I do want to say that this is a lot of fun. It is more fun for me than it is probably for the Lincoln senators but this is a lot of fun to play with 591. I had some problems with 591 but they are slowly being resolved because of the games that are being played. But, Senator DeCamp, one of

the things that really irritates me, but I'm not going to get angry about it, is your consistent and constant misquoting dollar amounts and we did this on 518 and I know that that is the issue you are debating today, but Omaha, Nebraska, contrary to what you said today and contrary to what you said on Select File when we talked about LB 816, gets \$600,000 more. Now the difference between \$600,000 and \$6 million is about \$5,400,000 or a zero and a comma. I know the tactic, if you say it long enough it becomes true, sometimes works. But I hope that my little speech will assist folks to keep a perspective about how much more that big, evil City of Omaha is going to receive under LB 816. \$600,000, Senator DeCamp, not \$6 million.

SENATOR LAMB: Senator Kahle.

SENATOR KAHLE: Well, Mr. President, I have the figures, I assume, before me that are as current as most and there is one heck of a lot more money than six or seven hundred thousand going to Omaha under 816. I think he is saying that it is Douglas County rather than the City of Omaha but I guess there is about \$4 million difference in the school districts alone and there is another million with the municipalities or the \$700,000 maybe that he is talking about and there is another million in county government. So let's do get our figures straight. But I do believe we made a mistake when we gave Omaha that extra half cent sales tax and I finally voted for it, I think, myself even though I have been opposed to that situation ever since I have been here. I think this might be a chance to rectify what we have been in error in and I guess the other day the argument that we had about the half cent sales tax brought it home to me when several Omaha senators got up and wanted to get out of the food tax which we have argued about for a long time and I'm not sure I can't support that if we ever figure out how we are going to fund that money in an equitable way back to the subdivisions that lose it. But let's don't swallow this \$700,000 thing because that is not right. Thank you.

SENATOR LAMB: Senator Haberman.

SENATOR HABERMAN: Mr. President and members of the Legislature, thank you, David. \$700,000 you say? That is basically what you get under 816? Well then if you only gain that much I don't see why you are so enthusiastic that it pass because you are getting so much more under the sales tax. It seems to me that you wouldn't support 816 and then still want to keep your sales tax. Why don't you just go ahead and say, we'll let you keep your sales tax being you gain only \$700,000 under 816, oppose that. I mean, I just can't understand why you want to punish everybody so bad for \$700,000 because that

is exactly what my district loses. So as long as you are getting all this money from the sales tax then you don't need the money from 816. That is what you just basically got through saying so I'm glad to see that you only get \$700,000 under 816 because now maybe you will have a change of heart and vote against it so that you won't be taking advantage of us who support Omaha with our 3.8 billion agricultural funds. So, David, I would like to believe you and I'll know whether you are telling the truth or not when we vote on 816 because if you vote red, then that means that you are only going to get \$700,000 but if you vote green, then that means that you are going to get a lot more because you just got through saying that. So, thank you a lot, Mr. President.

SENATOR LAMB: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the body, the major question is going to be, I suppose, around here before very long is, where did the money go. We've got an extra \$12 million in this little pot this year and no one is getting any more money. Senator Newell is not getting it, only \$600,000. We certainly know we are not getting it out in the rural areas. Many of our first class cities are even not benefitting. Many of the counties which have a first class city as a part of their constituency are not getting any more money. Seventy-one counties are losing money but no one is getting any more. I think if Senator Newell was a member of the Revenue Committee that would be a major responsibility of that committee to find out where the disappearing bucks really went and I think in view of that, certainly we are going to have to take a really close look at what happens under LB 816 if it should by some chance become law. So I would hope that at this time, as Senator DeCamp has pointed out, we have perhaps, if 816 becomes law, relieved the necessity for LB 591. Now it is just like anything else. Once the money gets into the budget and once you become accustomed to living at a certain level, it becomes almost impossible to roll back that standard of living whether it is a government, a business or an individual. Once these funds find their way into the budget you can be absolutely certain a need will be found for them and expenditures will be made. People will be hired. Obligations will be entailed that will never ever be rescinded. The plain facts are that many people are out of work, many people are not getting the increases in salary they thought they were going to get and they are having to get along without anything. General Motors signed a new contract for three years, no increases for a hundred and fifty thousand employees for three years. I believe that recognizes the austerity of the financial situation we face. I recognize that the City of Lincoln has always, I think, done

a very good job of holding down their expenditures and they have a beautiful city notwithstanding that but the point I make now is once you establish that amount of money in the budget it becomes extremely difficult to take it out and although we know that there are some needs out there and some concerns, if we allow the additional half cent it is going to work as a significant deterrent to the city in the future and I would hope you would not pass the bill.

SENATOR LAMB: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. Can't help but be reminded of the sales tax for Omaha, and I can remember what the caboose was. The deal was made it was a Vet College for a half cent for Omaha and you all know that so let's get back and set the record straight. Now let's get back to 591. Mr. Chairman, oftentimes in here lately I wonder whether or not we are talking to DeCamp's amendment or we are talking about on other things. Senator DeCamp is proposing that we say to Omaha within a year you are going to have to get along without a half cent of sales tax. That is the issue. That is what we ought to dwell on. I want to remind you of something else. The Mayor of Omaha was on television the other day and I am going to get even with him because I didn't have a chance to respond. He says, well, Ralston is in our plan. Yet in Urban Affairs this year I wanted to maintain the integrity of Ralston, the Mayor says not as long as I am Mayor. I think it is rather interesting though when he says tell the Senator that represents that district that it is under our plan along with Regency. Well, if that is true, Mayor Boyle, then next year I am going to come back with a bill to try to maintain the integrity of the City of Ralston. It deserves to live as much as Omaha does. I don't like the Mayor telling me one thing in Urban Affairs and telling me another thing on television. Thank you.

SENATOR LAMB: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I'm going to support this move and I want to serve notice, not just to the members of the Legislature, but to whoever is interested that removing the sales tax has become almost a mission with me I've trying to abolish the death penalty and this is the start of a campaign to repeal at least a portion of the sales tax in Omaha. It is a start as far as I am concerned. The session may terminate because we have completed sixty days but I have many days between now and January and I will be doing much work. This is merely the first step in that direction. I think that what Senator DeCamp's motion, and by the way, I cosigned it because I believe in it. What I think it will

indicate is that the City of Omaha and some of these other cities are going to have to start managing their finances better than they have been doing, that they cannot simply trot to the Legislature and say, we're all politicians. We're in trouble so you guys bail us out. Then we will go over to the...some of these clubs wherever the politicians go and have convivial get-togethers and we will be happy because you helped bail us out. I am not down here representing Omaha as a city, an entity or an administration, I am down here to try to do things that will benefit the people who live in Omaha and the sales tax does not benefit the people. There have been occasions when I think there were small reductions in the property tax in Omaha as a result of what the sales tax brought in for them and they said that is not what their intention was. They had a three point something million dollar surplus so I am not convinced that the story they gave is true. I wasn't convinced at the time they gave it that it was true and I think this motion will tell them that as of a certain date they need not count on the sales tax anymore. The best way to show the seriousness of that legislative purpose is to return this bill and use it in this fashion. I don't think twenty-five people in this Legislature are going to vote to pass this bill. That being the case, I would like to see it used for a worthwhile purpose. Now, when they talk about cutting the taxes for oil companies or deregulating them or whatever dodge is used to give them more money, the public uses the word "windfall." Opponents even in Congress and the Senate of those activities use the term, windfall. And without even defining it, we all know what that means. A windfall ought not be given to a city at the expense of its citizens. I don't want to go into the details of 816 because that is not really what we are supposed to be discussing but if, in fact, money is going to Omaha which would not have been going there before, there is no way Omaha can say it is in the same situation after the receipt of that money that they were in before the receipt of it. So I think we ought to start making adjustments in the sales tax, downward in the cities in the same way...

SENATOR LAMB: Thirty seconds, Senator.

SENATOR CHAMBERS: ...that you made an upward adjustment this session for the state.

SENATOR LAMB: Senator Barrett. The question has been called. Do I see five hands? I do. Those in support of ceasing debate vote yes, those opposed vote no. Record.

CLERK: 28 ayes, 0 nays to cease debate, Mr. President.

SENATOR LAMB: Senator DeCamp to close.

SENATOR DeCAMP: Mr. President, I want to talk specifically to some certain senators in here, to Senator Vard Johnson, to Senator Cal Carsten, to Senator Warner, to Senator Koch, to Senator Cullan, to Senator Howard Peterson, to Senator Higgins, to Senator Landis, Newell and Burrows and particularly Senator Fenger. Now all the rest of you too, but particularly those. Those senators have worked and have been intimately involved with the whole property tax issue over the years one way or another and this is a property tax issue. Let me explain. Every year for at least about twelve years now the Legislature has had a proposal on doing something for property tax relief, for example, our famous state aid to education plans, one thing and another. We were never able to get them passed or get anything effectively done even on the ballot because of one major reason. Omaha always came in at the last minute, their senators, and defeated them. Now why did Omaha do that? Because Omaha senators had a unique situation and that unique situation back throughout the years was that any change of the tax system they thought would jeopardize their one cent they already had if you made major changes in it and it would juggle up their financing of the schools. Omaha only became really interested, strongly interested in looking at the other side of the coin when an event happened in here and that event was we got concerned about equalization and when we put houses and property at pretty close to actual value in Omaha, Omahans overnight got massacred by property taxes themselves. In other words, they got put in the same position as a lot of others and that was when Omahans started seeing how bad and how hurtful that property tax is because they lost a lot of dollars on equalization, equalization out of that famous state aid fund. Now, how does this all relate? If we go ahead, in light of the additional money they are getting from the tax base under 816 and in light of the money they are getting under the additional half cent, and if we then extend that to all the other first class cities, you will create a condition, Senator Carsten and Senator Warner, where you will never be able to rewrite or deal with your property tax problems because you will never be able to put together the block of votes necessary. Why? Because Omaha will not want to rewrite that jeopardizes their own tax system there, their one and a half cent, and the primary class cities will not want to jeopardize it and it is a political fact that they will have enough senators all added together that you will not rewrite the tax system and you will not address the major property tax problem. It is for that reason that I say we send a signal, we've redone or are redoing the first major piece of the tax system in 816 and we're sending a signal in this bill then. We are saying, Omaha, get ready for a year from now because we are going to phase down your

base because of the additional money but because we are looking at the whole tax system. Once you extend the sales tax as much as this bill does, then you are going to be in a position I repeat, you are going to be in a position in the future of not being able to do any more than a bandage here, a bandage there, constant competition of who can get some additional part of the tax base. Senator Carsten, I know the temptation is to say, DeCamp, you are just interfering with this bill because of 816. 816 does make major changes in who gets money, therefore, if you are ever going to get this tax system redone to get some inequities in it...

SENATOR LAMB: One minute, Senator.

SENATOR DeCAMP: ...if you are ever going to get it redone, you better not give away a whole big chunk to a whole bunch of new cities of that state tax base and make them independent little conclaves out there that don't have to deal with us in the same manner that other cities and rural areas do on taxes. They don't have to deal, they want to hold onto to it. They will want to once you give it to them. So I suggest you seriously consider this. I suggest you actually do this and then you will have the hammer next year to get what you need in a redoing of this tax system. If you don't do this, you're not going to have her.

SENATOR LAMB: The motion is to return the bill for a specific amendment. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Record.

SENATOR DeCAMP: I'd like a roll call.

SENATOR LAMB: A roll call has been requested. Please record your presence. We will have a roll call vote as soon as all senators are in their seats and everyone is punched in. Would the Sergeant at Arms try to locate Senators Haberman and Nichol. Senator Chambers, for what purpose do you arise?

SENATOR CHAMBERS: Just so the Sergeant at Arms don't go to the wrong place, they went over to the Governor's office because a bill was being signed.

SENATOR LAMB: Thank you. Will the Sergeant at Arms see if Senator Haberman and Senator Nichol would return from the Governor's office. Senator DeCamp, do you wish to begin the roll call at this point?

SENATOR DeCAMP: No, I do not. We have some senators gone and...you know. I've noticed a lot of things in here, one or two votes, one way or another. It is kind of important. I am not trying to stall. I think it is a legitimate thing. It affects the whole future of the taxation of the state, which way we are going.

SENATOR LAMB: Senator Higgins, for what purpose do you arise?

SENATOR HIGGINS: Mr. President, are we not under Call?

SENATOR LAMB: We are under Call, Senator Higgins.

SENATOR HIGGINS: Then shouldn't the senators all be in their seats rather than lobbying for or against the vote on this bill?

SENATOR LAMB: That is correct. All senators should be in their seats.

SENATOR HIGGINS: Thank you, Mr. President.

SENATOR LAMB: All unauthorized personnel please leave the floor. Where is Senator Haberman? Senator Haberman, would you take your seat, please. Senator Marsh, where is Senator Marsh? Senator Marsh left the Chamber I believe. Sergeant at Arms, try to find Senator Marsh. Senator Goll, for what purpose do you arise?

SENATOR GOLL: A point of clarification, Mr. Speaker. Would you please ask the Clerk to read the amendment.

SENATOR LAMB: Would the Clerk please read the amendment and then call the roll.

CLERK: Mr. President, the motion is offered by Senators DeCamp and Chambers. (Read amendment as found on page 1965 of the Legislative Journal.) (Read roll call vote as found on page 1965 of the Legislative Journal.) 23 ayes, 22 nays, Mr. President.

SENATOR LAMB: The motion fails. If there are no more motions, please read the bill.

CLERK: (Read LB 591 on Final Reading.)

SENATOR LAMB: All provisions of law relative to procedure having been complied with, the question is, shall the bill pass. All those in support vote yes, those opposed vote no.

April 16, 1982

LB 591, 212

CLERK: Senator Lamb voting no.

SENATOR LAMB: Have you all voted? Senator Marsh.

SENATOR MARSH: ...(Mike not working immediately.) ...for all of us to check in and I would ask for a roll call vote, please.

SENATOR LAMB: Please record your presence. We have four honor students from Senator Vickers district with teachers, John Lefebber and Carol Lefebber, under the South balcony. These honor students are from the Republican Valley School at Indianola, Nebraska. Welcome to your Legislature. We also have some students from Senator Goll's district from Lyons High School, National Honor students with Ron Kortan, Counselor, under the North balcony. Welcome to your Legislature. Please rise and be recognized. Senator Haberman and Senator Goodrich, would you record your presence. Please call the roll.

CLERK: (Read roll call vote as found on page 1966 of the Legislative Journal.) 23 ayes, 22 nays, Mr. President, on the passage of the bill.

SENATOR LAMB: The bill fails on Final Reading. Please read LB 212.

CLERK: (Read LB 212 on Final Reading.)

SENATOR LAMB: Please return to your seats. We are on Final Reading and we need to keep it quiet. It is hard to hear. Continue.

CLERK: (Continued reading LB 212 on Final Reading.)

SENATOR LAMB: All provisions of law relative to procedure having been complied with, the question is, shall the bill pass. Those in support vote yes, those opposed vote no.

CLERK: Senator Lamb voting yes.

SENATOR LAMB: Have you all voted? Record.

CLERK: (Read record vote as found on page 1967 of the Legislative Journal.) 37 ayes, 11 nays, 1 excused and not voting, Mr. President.

SENATOR LAMB: LB 212 passes on Final Reading. Please read the next bill.