February 13, 2014

To: Members of the Revenue Committee

From: Aubrey Mancuso, Policy Coordinator

Re: Opposition to LB 721

Nebraskans value the good life that we have worked to create in this state and many of the positive things about our state are the result of thoughtful collective investments that have been made over generations.

Voices for Children opposes LB 721 because the income tax cuts contained in the bill primarily benefit higher income Nebraskans and the bill would create a significant budget shortfall without a way to pay for it.

In general, Voices for Children is not opposed to cutting taxes but we believe that tax cuts should be better targeted toward Nebraska's low and middle income working families who are struggling to make ends meet. We also believe that any tax cuts that would create a significant budget shortfall should identify how the revenue loss will be accounted for. Because LB 721 does not contain any proposals to address the budget shortfall, we can only assume that the intention is to pay for the shortfall with cuts to programs and services. Many of these services like public education and Medicaid are vital to the well-being of children in our state.

We have a responsibility to the next generation of Nebraskans to work to continue and improve on the good life in Nebraska and LB 721 does not help move us forward in that regard.

We respectfully urge the committee not to advance this bill. Thank you.