



WHERE THE ACTION IS . . . until Nov. 9 is the Lancaster County Election Commissioner's Office.

Dr. Shannon Predicts Returns; Nebraska May Go Republican

By Mick Lowe
Junior Staff Writer

This may be a Republican year in Nebraska, according to Dr. Jasper Shannon, professor of political science at the University.

"Nebraska has had a Democratic administration for eight years," reflected Shannon, "and may be ready for a change." Phil Sorensen faces a problem in that he has to take the blame for everything that's gone wrong in the previous administrations.

Norbert Tiemann can attack the status quo and make counter proposals, whereas Sorensen must stick with ex-

tant and previously-proposed legislation.

"But if Sorensen does win," explained Shannon, "the Nebraska GOP will be in a very weak position. With four more years in the state house we would have had a total of 12 years of Democratic leadership—and with the tendency for Nebraskans to re-elect their governors—that would mean four more after 1970."

If Tiemann wins, Shannon foresees some major changes in Nebraska government.

"I would assume that he will demand forthright that the legislature authorize incurring a debt for the con-

struction of highways as he has promised in the campaign. And I think the legislature would approve the measure. Better highways would be popular in rural areas, and urban areas as well."

In the Senatorial race, Shannon said, "The odds are on Curtis."

Concerning the referendum which will face the voters on Nov. 8, Shannon said "Referenda are always confusing. It seems to me that we've got to have the income tax, but they've crippled along for 8 or 10 years without it. What could happen is that the people will vote down the income tax and vote for the property tax, and then we'd be right back where we started."

The University budget, sure to be a controversial issue after the elections, "can be made to look bad in legislative hearings, whether the people of Nebraska want it or not. I'd hate to say that the University budget will be defeated. But I am saying that it's a problem for the governor to overcome the Budget Committee."

The election could alter radically legislation in Washington as well, according to Shannon.

"I think there is a fairly good chance that the Republicans can win enough seats in Congress to seriously weaken the Johnson administration," he declared.

In the House, particularly, Shannon observed, the Re-

publicans will not need too many more seats. The result would be a "re-combination of the old Southern Democrats and Midwestern conservatives as in the 1950's."

"The greatest consequence of such an alignment would be refusal to pass legislation for increased taxes," Shannon said. "If President Johnson requests higher taxes after the election, the new Congress might refuse to pass the bill just to make Johnson look bad."

In that case, according to Shannon, the rising tide of inflation will go unstemmed.

Romney: GOP Choice

Looking ahead toward the Presidential elections, he predicted that Gov. George Romney of Michigan will be the Republican choice to face President Johnson.

Shannon picks Romney over Richard Nixon simply because the "GOP hates to go with a loser. They did it with Dewey, and it probably won't happen again."

Shannon favors Johnson over Robert Kennedy because, "any President can re-nominate himself. Kennedy has already said that he doesn't want the nomination."

"As for the Kennedy 'phenomenon', I think the news magazines are just looking for someone to write about," he said. "We had a Garfield phenomenon, a Lincoln phenomenon, and a McKinley phenomenon. The same thing happens whenever a President is assassinated."

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Sorensen Vs. Tiemann . . .

Alumni Meet In Gubernatorial Competition

By John Fryar
Junior Staff Writer

In Nebraska's gubernatorial race, Democratic Lt. Governor Philip C. Sorensen of Lincoln faces the GOP nominee, Norbert T. Tiemann of Wausa.

Both Sorensen, 32, and Tiemann, 41, are alumni of the University. Sorensen was graduated cum laude from the College of Law while Tiemann received a B.S. from the College of Agriculture.

Sorensen's background in addition to his term as Lieutenant Governor includes: law clerk to federal district judge, editor-in-chief of the Nebraska Law Review, president of the Malone Community Center, agriculture executive committee member of the Lincoln Chamber of Commerce, presently chairman of State Committee on Mental Retardation, State Co-ordinator of Civil Rights, and community Council study committees.

Sorensen is a Korean War veteran.

Wausa banker Tiemann is an assistant county agent, assistant manager of the Nebraska Hereford Association—Central City, executive secretary of the National Livestock Feeders Association—Omaha, Director of industrial relations for the Nebraska Livestock and Meat Board—Chicago, president of the Nebraska Bankers Association, Federal Legislative Committee of the American Bankers Association and three-term mayor of Wausa.

Tiemann is a veteran of World War II and Korea.

The Daily Nebraskan asked both candidates questions regarding various issues, involved in this year's campaign. The questions and the

candidates' answers are as follows:

What is the major problem facing Nebraska today?

Sorensen: "Education is both the number one program and the number one problem."

Sorensen said that this problem was linked in many ways to problems of taxation, industrialization and youth flow from the state.

Tiemann: Taxes are the major problem, especially concerning the present property tax system, which he called "outmoded".

Tiemann said in his opinion that the tax system should

be revised, with complete abolition of the property tax.

Are the institutions of higher learning in Nebraska, especially the University, of a sufficiently high caliber and capacity to meet the needs of the state?

Sorensen: Nebraskans "can be proud" of the University and the system of state colleges. He said, however, that there was a constant need of growth and a "continued striving toward greater academic excellence."

Tiemann: There is "always room for improvement."

Tiemann said that more educational excellence could

be reached with an "upgrading of all existing educational institutions and the establishment of a system of vocational trade schools and junior colleges. In addition, a research center located at the University would attract scholars and funds.

Is the present University budget request an unrealistic demand for funds?

Sorensen: "I would have to go over the budget line by line, but I did not feel that increased demands in themselves were bad, in view of the needs of enrollment increases, competitive faculty salaries and funds for re-

search and the library.

Sorensen added that he would have to work closely with the legislature in using the tools of his position in order to provide an effective budget.

Tiemann: "I was shocked at the size" because the large increase in the last biennium showed a lack of leadership of the executive branch.

Tiemann said that such a "catch-up budget" could only be blamed on this lack of leadership by the "caretaker of the budget."

What kind of state tax base

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SORENSEN . . . "Education is Nebraska's major problem."



TIEMANN . . . property tax system "outmoded."

Lincoln Faces Vote On Liquor Law Change; Citizens Last Considered Amendment In 1946

By Julie Morris
Senior Staff Writer

One of the two Lincoln city proposals on the Nov. 8 ballot is a proposal to allow the city to license the sale of liquor by the drink.

The proposal, which was last voted on in 1946, would make it possible to sell hard liquor by the glass across the bar at taverns, restaurants and clubs.

The proposal was placed on the ballot by an initiative petition with 5,373 valid signatures that was circulated by the Committee of 66, a group organized by the Lincoln Chamber of Commerce early in June. The committee was under the leadership of Tom Pansing, former Chamber president.

Committee Of 66

The Committee of 66 disbanded after the required signatures had been filed. The only purpose of the group, Pansing said, was to get the issue on the ballot. The committee was "just trying to help the town," he said.

One of the chief factors involved in the liquor by the drink issue is whether the City Council would limit the number of establishments that would be granted the Class C, liquor by the drink, licenses.

At the present time there is no limit set on the number of

bottle clubs the city may have, while the number of beer outlets and package stores is limited by the council.

According to the State Liquor Control Commission, there are presently 30 bottle clubs in Lincoln. These clubs serve liquor by the drink to patrons who pay membership fees that range in amount. The cheapest are \$3 to \$5 per year.

In addition the city also has 13 nonprofit bottle clubs that serve liquor by the drink to members. These clubs include the Elks Lodge, the Veterans of Foreign Wars and the Legion Club.

Pool System

A bottle club operates on a pool system whereby the members all contribute so much through the membership fee and the liquor is purchased on a retail basis with the funds the club has. The nonprofit clubs operate the same way except that they are authorized by federal law to buy their liquor wholesale.

The city also has 64 beer outlets, of which no more than 45 can be on-sale taverns, and 33 package liquor stores that sell off-sale hard liquor only.

The thought among some citizens in that the city "already has" liquor by the drink in the bottle clubs so

the measure might as well pass.

Lincoln Police Chief Joseph Carroll said "as far as I'm concerned, Lincoln has it (liquor by the drink) now."

"If they (citizens) just open their eyes and look around they'll see we have liquor by the drink," Edmund Dittmer, a package liquor store owner said.

A University coed commented, "We now have a pseudo liquor by the drink law anyway."

"Lincoln citizens are making a mockery of the law when you can go to a bottle club and buy a membership of \$3 and get liquor by the drink. You shouldn't be able to buy the law for \$3," she said.

A bottle club owner said the present system of non-legalized, but actual liquor by the drink is "hypocritical."

On the other hand, some citizens feel that to pass the liquor by the drink measure would increase rather than decrease or check the number of Class C license establishments.

"If we passed it (the proposal) every other door would be a bar," a businessman said.

WCTU

The Lancaster County Women's Christian Temperance Union (WCTU) has spok-

en against the measure on the basis that the law would permit the establishment of more liquor outlets.

The Lincoln Journal editorially warned against the passage of the proposal because, the editorial said, the law would cause a slip in the moral tone of the city.

The only organizations that are actively fighting the issue, however, are the WCTU and the Lincoln Citizens Against Liquor by the Drink.

The latter organization was formed three weeks ago under the direction of the Rev. Mrs. Richard Gage. The group's chairman is Fred Patzel. The organization has been advertising and distributing literature against the proposal.

The City Council has not made any statements for or against the proposal. Mayor Dean Petersen said the council has not given serious consideration to any liquor by the drink policies such as limiting the number of licenses granted.

Indications are, however, that the Council, which has the initial authority on to rule on licenses in the city, will set some type of guidelines.

State Liquor commissioner Francis Robinson said the commission will go along with city recommendations on limiting licenses if these

are "reasonable." Final authority over liquor regulation rests with the commission.

"Carroll said the council 'might give some consideration to limiting the number of Class C licenses even if the measure is defeated."

If the measure is approved, Robinson said each Class C application will be considered as a new one even if the establishment may now have a bottle club.

Some of the bottle clubs now operating, then, may face the prospect of being shut down if the measure passes and the City Council limits the number of licenses.

Tony Alesio, owner of a local bottle club, said there is "no guarantee" that his establishment will get a Class C license, if the liquor by the drink law passes, but added, "I think the city needs it."

Alesio said it is only hearsay that present bottle club operators will be able to retain their operations if the proposal passed.

Alesio also said that if the liquor by the drink measure is approved, "the state should enforce some type of age identification that would be foolproof." He said the possibility that a liquor dealer may be selling liquor to minors with false identification "places a man in an awful position."

Election Edition

Vote Could Remove Entire Tax System

By Julie Morris
Senior Staff Writer

Voters will be deciding the fate of Nebraska's state tax system in the Nov. 8 elections and their decisions could change the entire system, keep things as they are, or leave the state with no taxes.

The election day ballot includes an amendment that would axe the present state property tax and a petition that would kill the proposed state income tax.

Voters could decide to keep the property tax, block the implementation of the income tax or eliminate the property tax and implement an income tax.

Or the voters could vote against both taxes, thereby leaving the state with no means to tax.

The existing state property tax, established 100 years ago, is on the ballot as an initiative petition circulated by state farm organizations, principally the Nebraska Farm Bureau Federation.

In addition, the newly passed state income tax is also on the ballot because of a referendum petition circulated by opponents of the bill.

The state property tax system provides for taxation of all real estate and tangible and intangible property. By state statute, property is assessed at 35 percent of its actual dollar value.

For instance, a house that is worth \$10,000 would be taxed at an assessed value of \$3,500.

Each year, the state Board of Equalization figures what the property tax rate, or levy, will be by dividing the total assessed valuation of property in the entire state into the budget for the year.

In addition to state property taxes, Nebraskans pay property taxes to their counties and local school districts. All of the operations of figuring and collecting the property taxes is handled at the county level.

Nebraska's income tax law LB797 passed in the 1965 Legislative session, provides for a state tax that would be levied on income rather than property.

The measure was scheduled to go into effect Jan. 1, 1967, but probably will not regardless of the referendum's outcome because of administrative details.

LB797 would tax incomes on a flat rate. The tax levy would be computed each year by the Board of Equalization exactly the way the property tax levy is now figured. The rate would not be a fixed one.

The income tax law follows the federal income tax law closely, allowing the same type of exemptions and using the same type of form. Filing

requirements for the two taxes are identical.

Arguments for and against both tax systems have been advanced by all the major candidates for state offices and most state senators have taken one side or the other. Observers throughout the state have indicated that there is a very real possibility that both taxes will be voted down by the voters.

The party platforms of both state political parties include planks calling for a combination sales-income tax to replace the property tax and LB797 if they are voted out.

Both gubernatorial candidates, Democrat Philip Sorensen and Republican Norbert Tiemann, have stated they would favor an income tax with a graduated pay scale.

Many sources agree that the property tax at the state level must go or must be updated.

"If we're going to continue to demand more services it's a possibility that we may have to look for other sources of revenue to supplement the property tax," George Dworak, state tax commissioner said.

Dworak added that per capita, counting each man, woman and child in the state, the tax rate of the state is "one of the lowest" in the nation.

"The property tax does have its drawbacks," Dworak said. He said that professional men, who may earn as much as a farmer or businessman, may actually pay much less in taxes because the professional man would not have the same capital investment in property that the farmer or businessman must have to operate.

On the other hand, Peters noted that one of the objections to LB797 is that the tax is a flat rate, the same for everyone's incomes.

Nevertheless, the income tax is progressive because of the exemptions offered, Clayton Yeutter of the University's department of agricultural economics said.

The income tax bill LB797, would lower taxes for individuals and firms who use a lot of property in their businesses and for many people in the low income and retired groups because these groups will benefit from exemptions and deductions and because retired people will not be taxed on social security income, Yeutter said.

LB797 will raise taxes for "high income individuals and firms and particularly for those who require little property in earning a living," Yeutter said.

This group would include doctors, lawyers, dentists and other professional people, he added.