

April 25, 1979

LB 285

fund, Senator.

SENATOR KOCH: Trust fund, but you're not including the school land apportioned funds?

SENATOR MURPHY: No, I'm including the trust fund, the interest from the trust fund. They do distribute the interest from the trust fund to the schools, do they not?

SENATOR KOCH: Who does that?

SENATOR MURPHY: It's done statutorily. I would assume the Treasurer is accountable for it.

SENATOR KOCH: The school land trust fund.

SENATOR MURPHY: Yes, sir.

SENATOR KOCH: I thought the Department of Public Instruction was the one that distributed that to the schools based upon a formula.

SENATOR MURPHY: I wouldn't debate that particular point with you, Senator. Chances are that they do provide the distribution formula, but I would assume the State Treasurer makes actual distribution.

SENATOR KOCH: But I think the question in point is that those are not tax dollars.

SENATOR MURPHY: That's true.

SENATOR KOCH: The bill deals with money raised by taxes... either that the state gives to the subdivision of government as a tax by sales, income and corporate, as opposed to the ad valorem tax on the local property. Right?

SENATOR MURPHY: Yes, sir.

SENATOR KOCH: And the bill deals totally with that. Those funds are the only ones that are going to come. Now you want to add in revenues from gasoline tax, school lands apportionment funds, and other types of interest that some subdivision may receive. Is that correct?

SENATOR MURPHY: That's correct. I think all funds that accrue would otherwise be left in the general fund, and accordingly the limitation should be placed on it, the back-up effect being the taxes to the general fund are thereby reduced.