

is a....Senator Dworak knows the revenue system in Nebraska as well as anyone and he wants to spend the whole hog of one-half percent of \$35,000,000 on state aid to education, but you've got to add in the other formula because he's only got a half a hog to spend and that situation is that the income tax is going to go up to equal that 35,000,000. If he's going to spend the whole hog he should take the other half and have \$70,000,000 in state aid and then I believe that might get Governor Thone's attention. In the meantime we've had an excellent relaxing afternoon. Let's kill this amendment and do something productive.

PRESIDENT: The Chair recognizes Senator Burrows.

SENATOR BURROWS: Mr. Speaker and members of the body, I would like to clarify some remarks on this. I do not feel I can support the amendment. The phrases that it's going to relieve property taxes. It is going to reduce the rate of growth of property taxes. Now for education, if we put a seven percent limit on approximately \$500,000,000 that's a \$35,000,000 increase, and that would just be a straight line seven percent increase in spending, so we would just about pick up that with the \$35,000,000...that seven percent on 500,000,000, but that does not include the exempted fuel cost increase. And we're talking about education alone. Second, there is seventeen, a little over seventeen million, that is coming off in business inventories the following year, and of that we funded about 3.7 million additional dollars when we went from 58 1/2 million to 62.2. So when we take the difference, there are \$12,000,000 going again onto the remaining property tax payers or the real estate tax payers for education. So we take our 12... we've got 47,000,000 right there plus the remaining subdivision growth on property taxes. Now to say we're reducing in any way the property tax payments in the state by \$35,000,000, that we're reducing the bills, is a gross mistake. We will reduce the increase on that real estate taxpayer substantially by passing this amendment, and possibly put off a major reform for another year. Now we have in the Revenue Committee, Senator Sieck and I have a bill to shift the support of education to an adjusted gross income tax, and I consider this a minor patch job even at \$35,000,000 because the real estate tax payer is still going to pay an increased dollar bill at the end of the year. The facts are laid out that way. It just takes up part of the increase and puts off a substantial reform. And triggering another half percent