

get the federal level to do the same as we are doing here on the state level and as we have mandated on the local level. I present this to you with this explanation that we are removing only half a percent from the reimbursement for medicaid to the local level for two years, instead of the 2½% it reduces it to 2%. We will then at the end of two years get down to 16 as opposed to 15. The first year it will amount to \$500,000 and the second year a million three. In submitting this amendment to you I want to also remind you that I have committed our Revenue Committee to examine the impact of 285 after the budgets have been submitted this next fiscal year. That we will at that time be able to measure the impact of LB 285 and also those areas that contribute to the problems that there be problems in 285. We will again do that the following year. At that point I am sure that we will be able to make an examination and an analyzation that will tell us definitely and directly what we might possibly be considering in the future. I would hope that as you here on the floor are considering these serious amendments that you also consider this one along with those others so that we may abide by a self-imposed 7% along with that mandatory 7% that we have inflicted on the local level. Thank you, Mr. President.

SPEAKER MARVEL: Senator Kahle.

SENATOR KAHLE: Mr. Speaker, members of the body, I know that this is a greased issue and there have been some deals made and I don't think that I can stop it but I would like to explain a little bit and I appreciate Senator Carsten's efforts in trying to work this out. But, I would like to give you a little bit of an example of what this actually does as far as relieving property taxes at the local level. We always like to talk about counties and I guess I have the reputation of representing counties but what we are really talking about are local tax payers because they are the ones that pay the bills. Again, I want to reiterate that counties have absolutely nothing to say about that bill that they receive from the state for medical vendor payments. I talk to people from the welfare department and others and they agree that perhaps welfare costs or the medical vendor part of welfare cost would go up 20% again this year. In fact I think that is what they figure in the state budget. So, lets say that a county has a half a million dollars of cost for their medical vendor payments. I'm talking about what the state pays and also what the county pays. That goes up 20% this year which is what everybody seems to agree might happen or is going to happen. That makes their cost \$600,000 instead of \$500,000. So if you take the 18% then which the county