

SENATOR WARNER: Mr. President, members of the Legislature, this amendment the Appropriation Committee adopted to present, I need to make it clear that in part this is concept because I know the wording may need some adjustment in it and secondly, it also have conferred with the Attorney General as to the appropriateness of the proposal and we do not as yet have an answer but I assume it is logical to at least see if the majority of the body will accept the concept and then we can see if we need to make some minor adjustments in wordings to have a valid appropriation. The concept here is one that in the event, which seems to be the impression, that collections exceed the estimated receipts for the current fiscal year, '79-'80, because of the impact of inflation, that whether or not those additional receipts above the estimate ought to be returned to property tax or some other form of tax reduction. The policy that the committee is suggesting is that with no rate change that should those collections exceed receipts that they can properly be returned in the form of state aid to schools for reduction in property tax. The amendment is drafted, would solely fund the section of existing state law which is a per pupil distribution and of course if LB 486 is enacted, some adjustment might be necessary at least in wording so that the money could flow either way. What we are proposing is the procedure, if you will look at the amendment, is that when the Board of Equalization meets within fifteen days after the Legislature adjourns, using the amount of...level of appropriation for the current year, '79-'80 year, which would be total appropriation as adjusted by the deficiency bill using only a 4% reserve and understand, we are talking about the '79-'80 fiscal year. For the full fiscal year, '80-'81, the committee is recommending that 6% reserve for calculations next November but the reserve as you know is only for the purpose of error in estimates and with only two and a half months left in the fiscal year, there is no particular reason that we maintain at that 6% level to account for errors for those two months. The committee then would, using the procedure of the total appropriation this year, then a 4% reserve, any balance that is in excess of that requirement would hereby be appropriated to the state aid to schools not to exceed an amount of \$32,000,000. Now the reason the committee adopted the \$32,000,000 as a maximum, it was my understanding and most of our understanding that that was approximately the amount of additional state aid that would be required to insure that no additional property tax as far as the state as a whole is concerned would be needed under the lid bill for the