

personal income is inserted and that is measured by the way, by the U.S. Department of Commerce. I might say to you there has been an AG opinion on this amendment which pointed out a couple of problems both of which have already been corrected in the pending amendment. It retains the idea of not including user fees under the lid. It retains exemptions for new political subdivisions, for bonded indebtedness and for adjustments for population change. Those are the three that are retained. It does not retain the energy exemption and it retains, of course, the ability of the populous to vote to override the lid in any event, the same provision that we have now to override the lid. I think I will stop with that. That is the basic idea. I feel that this is the only workable kind of lid ultimately. I think a lid is workable. I don't think it is artificial. I think it makes some sense to state to the people governing this country at all levels that philosophically there is concern in the country that only a certain percentage of our dollar be spent by the government, whether it is local, federal or state and by golly, we are going to do something to see that that is the case. If you raise the 7% lid to 9 or 10% you are effectively doing away with the lid. If that is what you want to do, fine, but do it straight up and forward with the people. I think we all should declare in here whether we believe in lids or not and if we do believe in a lid, then work for a sensible one and not retain one that undermines the whole concept. Thank you.

SENATOR CLARK: Senator Koch.

SENATOR KOCH: Thank you, Mr. Chairman. The idea sounds great but Senator Beutler knows in his law business that when the costs of doing business increases, he also increases his fees. He doesn't live under any magic figure. He knows what he takes home. He knows what it costs to feed his family and I submit to you that if we believe government spends too much, then we should do something to change the way we govern ourselves locally. What he presents to you is a ratchet in terms of personal incomes figured by the federal level and all we are going to do if we adopt this amendment, we are going to mislead the people one more time that by some magic number or formula we are going to solve their problems and we at the state level are going to dictate to them a new formula, a new way to cover the problems that they provide by a service. I happened to visit a museum the other day in Franklin County. Do you remember the old collars they used to buy? They were plastic, that they wore around their neck? The little deal said two for a quarter. You can't hardly buy anything for a quarter anymore let alone two of it. You can't even buy good bananas for two for a quarter. You