March 24, 1982

though we don't actually levy a property ta: ourselves, and we are affecting that levy with the actions that we take right here this morning. So I do support the Koch amendment.

SENATOR CLARK: Senator Koch, do you wish to close?

SENATOR KOCH: Mr. Chairman and members of the body, I know you can read but I hope you read number 3 of that handout I gave you. It has been intimated by some that the schools have been irresponsible in managing special education. I submit to you that when the state mandated the schools to carry on the program of special education they relieved the cost for a lot of state institutions. We often forget that. In fact, I am convinced today that the public schools are supporting from property tax indirectly institutions that they should not be supporting. The School for the Deaf, the School for the Blind, because those figures are set by contract and they are set by this body, and the schools indirectly are not reimbursed all that money so it comes off of property taxes and that is an indirect way of supporting public institutions from the property tax which I know is not legal. I am surprised some schools haven't gone to the Supreme Court to check it because the Duis amendment forbids this. Senator Warner talks about a deficit appropriation. That is true, we have had one every year, but never this large. I would remind you also the schools fund these programs right now and they are always a year behind in getting their dollars from the state government, and one more time they are picking up the slack that is not really their problem. It is a problem of the Legislature and a problem of the Governor. So now we are saying, well, you try to get along with 34 instead of 38 which is a 7 percent and we allow them that because we have a cash flow problem and a cash problem in the state. But the schools didn't cause that. The Legislature caused that and so did the Board of Equalization possibly through irresponsible reduction of income taxes. But the public schools don't sit on the Board of Equalization. They just sit there and they take heat from their constituents over the increase in property taxes, and I know schools right now that are looking at 5 and 6 and 7 mills to maintain present programs, and that is coming off of property tax. Homebuilders are concerned about the lack of homebuilding, and one of the reasons is that property tax is getting so high on homes that they are equal to your interest and your principal in trying to buy a home, and most people are in a state of shock when they see that. So I am saying to you, the responsible thing for this body to do, we still say we will give you 90 percent of the excess