

by the State Auditor's office. In the past this has always been done and performed by the state but the cost is paid by the state because the audits are mandated by state law. It is my feeling and the feeling of most county boards, in fact I think all of them, that as long as the audits are going to be mandated by the state that the cost should be borne by the State of Nebraska and not by county government. This amounts to a considerable amount of dollars. I talked to the fiscal office and this year, fiscal year, about 211 thousand for the counties to pay, and that is an estimated amount, and then of course in 83-84 it would amount to 879 thousand dollars. This should be a service by the state I believe and if it is mandated by the state it should be paid for by the state. I am concerned that if we have to start paying for state audits and even if it is done once a year it is going to be very costly to the counties and they in turn are going to have to turn around and increase the property tax. I believe that the property owners, especially in Douglas County, I don't know about the rest of the state, are very upset with the amount that they are having to pay in property tax. Therefore, on behalf of the county boards of the State of Nebraska, I ask that you strike Section 8 and 25 on LB 942. Thank you.

SENATOR CLARK: Senator Newell.

SENATOR NEWELL: Mr. President, I rise to support the Labeledz amendment. I think that frankly the issue before us now is whether or not the state which is going to mandate programs should in fact provide, not mandate programs but mandate audits, to ensure that local subdivisions are accounting for money, etc., as they are supposed to be also going to provide those services. Now as I understand it that is a function of the auditors office. As a function of the auditors office I think those services ought to be provided because it is a constitutional function. The pay ought to be out of state sources as opposed to having the counties pay back those appropriate dollar amounts because frankly and honestly the issue is simply they are the ones that are going to have accountability. They are going to be able to charge for their fees, they are going to be able to determine what things are worth and they are going to have an incentive to build counties more than is appropriate in many cases. Now you are going to have a much closer watch and control over that if those are monies that are appropriated to the auditor by the state Legislature. He is going to make sure he does a better and more efficient job than if you can automatically bill the counties which then subsequently have to pay. So I urge this body to consider the precedent that