

April 1, 1982

LB 761

SENATOR KAHLE: Mr. President and members, this \$70 million situation is getting to be a bigger joke every day. Here we made a commitment back in 1977 that we would fund personal property tax to the tune of \$70 million. Ever since then we have hustled and hassled the bills that came up because it didn't do that in the eyes of lots of people. So now here we have a different situation. We are going to whack away at the \$70 million now which I think Senator Newell put it very well was a promise at least to the local subdivisions of government. The way I understand it they took 3.75 percent of the \$70 million and decided that they would make that cut along with some other cuts that were made. I guess I have some questions to either Senator Warner or Senator Carsten and I believe we have some overlapping problems here that maybe we ought to talk about. I don't see Senator Carsten but maybe Senator Warner can help me. What happens if LB 816 doesn't pass? Will this change anything as far as the \$70 million is concerned?

SENATOR WARNER: Senator Kahle, as I understand 816, if that doesn't pass in some form there is no money distributed because there is no constitutional formula to do it under. So I guess you save the whole \$70 million.

SENATOR KAHLE: Okay, let's say that happens, where would the funding for that lack of money come from?

SENATOR WARNER: If 816 does not pass?

SENATOR KAHLE: If the \$70 million is not distributed. Where would this local.....

SENATOR WARNER: Well, I would assume that local governments would do like we are asking state government to do to reduce back their budgets and not spend the money since they wouldn't have it.

SENATOR KAHLE: Do you really believe that? Or do you think along with me that it would be put right on property tax?

SENATOR WARNER: Well, obviously they have that choice, Senator Kahle, one way or the other but I think, you know, many have addressed the problem of increased cost and they certainly would have that option. I can't say what local county or local officials would do.

SENATOR KAHLE: All right, then let me refresh your memory that here about two years ago, maybe it's been three now, we had a bill in here to increase the sheriffs' salaries