

environment, energy, government, health care, but they all go back to education as being a way we can accomplish a lot of problems, but everytime we meet here we cut education first. What I am proposing to do with this amendment, as you know they live under 7% lids. If you are going to take away dollars from them, what this amendment says, in calculating your next budget, they can use the dollars that they lost and they will not have to worry about the 7% factor, because if they are taking those dollars away from them now, you know as well as I do you diminish their base. As a result, 7% applied to a diminished base brings in less dollars than they had before. This is temporary. It is an emergency. If you read your bill as we affect the subdivisions of government, both cities, counties, and schools, it allows them under this proposed amendment to next year figuring their budgets they can use the same base they had even though they didn't receive those dollars from the state to figure their following year's budget and that it is only a temporary type of relief. That is what the amendment does. Thank you.

SENATOR LAMB: The Chair recognizes Senator Vickers.

SENATOR VICKERS: Mr. President and members, I rise reluctantly, very reluctantly to support Senator Koch on this amendment, and the reluctance that I have is based on the fact that I believe that if the 7% lid doesn't apply, obviously, probably taxes are going to go up that much more, but the fact of the matter is they are going to go up anyhow. The fact of the matter is some of these very small school districts out in my area, and I have polled each one of them, have no choice but to go to the bank and borrow money. Their budgets are set. Their contracts with their teachers and other personnel take up eighty to eighty-five percent of their budget. There is no way that reductions can be made at the local level in those small schools right now, this year, this fiscal year. So they are going to go to the bank, and they are going to borrow money, and the interest rates are going to be, obviously, added on, and then we are not going to give them any more money to pay that back next year. There is only one place they can get it. They don't have any other choice, and yet if we apply the lid to them, that means they are going to have to cut that much deeper next year in order to pay that interest at that local bank. So I think we need to excuse this from the lid, and as I indicate, I support this very reluctantly. I would much rather give them the money that I feel we had committed to them and they feel that we have committed to them. You know I think the feeling that local entities have not been frugal is really wrong. Those local school board members that I know are probably taxpayers also. They have been being as frugal as they know how, and I think it is wrong for us to sit in Lincoln, Nebraska and tell those school boards out there that there are programs that you need to cut. If we really want to do away with local control, that is the way to do it and I guess that is what we are doing. So I do support this amendment. I would urge your adoption of it. Thank you.

SENATOR LAMB: Senator Koch, would you care to close on your amendment?

SENATOR KOCH: Thank you, Mr. Chairman. For those of you who may not have