

source that will grow somewhat consistent with the growth that you can expect at the local level, whatever local government you decide to give that relief to. I should point out in starting that we are not in the absence of doing some other property tax relief, the impact of it. The Medicaid bill this year goes up about \$100 million over the biennium, which used to be paid in part by the counties, and that was property tax relief. In fact, that was the reason it was done, so there are a lot of things that we have done in the nature of property tax relief that sometimes is forgotten. So it isn't exactly not been attended to, but the bottom line for sustaining property tax relief is a fund source that can sustain that level. There is only two fund sources I know of that has that potential. One is the personal income tax. Historically, at least, that has grown at a level that would sustain without increasing rates, increasing state aid to schools, or to whatever governmental subdivision you want. The actual growth since 1981-82, adjusted for rates, is about 9 1/2 percent. On sales tax at that same period, the accumulative average growth adjusted for rates is 3.7 percent. Now the motion I have filed happens to relate to sales tax, but that will not even sustain it. To increase, or fund it out of income tax I suspect is not politically feasible. I suspect what you would have to do on a sales tax to make it feasible is broaden the sales tax to services, and that is not politically feasible. My only point in raising these issues, it isn't education in here that we are talking about, and most of us understand these things. But I am convinced because I subscribe to the fact that elected officials can only do those things that the public are willing to accept and support, and that public acceptance and support only comes about when the public understands what it is necessary to do what we are doing. And because of those facts, and I am very willing to discuss this issue but in its full ramifications so that the public will support and understand what you do. Now I have been through at least three, I think, referendums, two of which was on bills I introduced on reducing property tax. They were for increasing state aid to schools. I got whipped around when I went out and tried to support them every time, as I know others did, and the referendums were all successful.

SPEAKER BARRETT: One minute.

SENATOR WARNER: If you want to provide property tax relief, the key is not in here. The key is public support and public understanding of what really is necessary, and that means you