

when half of my time is up, I will try to have my remarks terminated by that time. Ladies and gentlemen, members of the Legislature, we are...Senator Withem and I are asking this morning to bring to the floor LB 188. LB 188, as originally drafted, provided for the sale of school lands. Because I have another bill on the floor which will provide for that, when I appeared before the Education Committee I offered an amendment to the bill which would have provided for the repeal of the language which provides for in lieu of tax payments to those counties, to those schools within the counties where the school lands are located. Now I understand that this sort of a bill and this sort of an idea is not very interesting. It doesn't have nearly the excitement of some of the other bills we talk about on this floor, except for the fact that it involves about \$6 million annually of money which is distributed to those counties, to those schools for the purpose of, as was originally explained, providing those schools some benefits in lieu of taxes that would have been paid had that land been on the tax rolls. It's my belief that the in lieu of taxes are unconstitutional. I requested an opinion from the Attorney General on March 10th. A reply came back on March 15th relative to another proposal. Senator Withem has handed his opinion...or his copy of an Attorney General's Opinion which is a parallel opinion to the one which I requested. In both instances the Attorney General said the diversion which we requested would be unconstitutional. I want to point out another very serious fact. If you will check the Constitution of the State of Nebraska, you will find that any funds diverted from the use for which they were intended when the grants were made to the school children of this state must be replaced by this Legislature. The language in the Constitution is "shall be replaced" at approximately \$6 million annually and it's been about 16 years since we have started that. I have deep concerns that we may need to place into the school fund approximately \$80 million of money that was diverted. Now I do not know how the courts or how the Attorney General will look at the diversion of that money if and when...I shall say when it comes to their attention, but I would suggest that there may be some little matter of interest that might be involved also. If interest is involved, then we may have solved the problem unwittingly of aid to schools for some time because, as you can calculate very quickly, interest on \$80 million for the past 16 years makes the principal number fade into obscurity and certainly will cause this Legislature some serious problems. It will relieve us of one problem though and that will be what to do with the surplus