

April 10, 1989

LB 84, 611

district budgets have had a 6 percent growth in the last decade. Six percent growth on a valuation that has little or no increase,...

SPEAKER BARRETT: One minute.

SENATOR WITHEM: ...obviously, leads to higher...pardon me, one minute, obviously, is going to lead to higher taxes. Sales tax has a 3 percent growth factor, better than property but it still...you are going to be running behind. Income tax has a 9 percent growth factor. School district budgets have a 6 percent growth factor. If the schools can share in the income tax base, we are going to be a lot better off in this property tax problem. I am going to punch my light. If there is time, I know there are lots of other people who are wishing to talk, talk a little bit more about where I see the School Finance Review Commission going. Just let me conclude this time with indicating that what I think the Revenue Committee has done, what Senator Moore is doing with these amendments to the committee amendments, and how the whole process in many ways seems to be coming together this session, recognizing we have to do something to deal with property taxes in the immediate, we are going to do that with LB 84, but in the long term, we are going to have to address the way in which we finance education, and Senator Moore's LB 611 with...

SPEAKER BARRETT: Time.

SENATOR WITHEM: ...his amendments is an excellent approach in that area and I urge you to support Senator Moore's amendments.

SPEAKER BARRETT: Senator Johnson.

SENATOR R. JOHNSON: Mr. President and members, I rise to support Senator Moore's effort to advance LB 611, and with these amendments, I support the concept of providing an alternative funding source for education. I think it has long been overdue and has needed to be adopted before this time, but because of failures by this body to address that problem, we are in the predicament we are in today. I raise only one red flag, and I don't know if it bothers anybody else, but it does bother me just a bit, not enough not today to advance the bill, but I am very concerned about the idea of sunseting the foundation and equalization aid formula. Now Senator Moore and others have said this is a hammer that we can hold over the head of this