

property tax relief, to some that is a sales and income tax increase, to others it is a tax shift. All three of those things are true but the goal was to reshuffle the deck. The second goal was simply this, is to equalize some of the disparities in the funding we have of school districts in the State of Nebraska, particularly because of lawsuits around the country and lawsuits in this state and this county, there is a reason that it would be prudent for this body to be out in front of that and do something about it. Does LB 1059 accomplish those two goals? Well, the first one, as far as tax equalization and reshuffling of the deck and property tax relief, if that is what you want to call it, we've passed out this morning some information, to begin with, let us define the problem on property taxes. The fact of the matter is, we have some of the highest property taxes in the nation. According to this particular national ranking we rank 14 in the nation of property taxes. We rank 38th in the nation on sales taxes and last year, or at least '88-89, we rank 30th in individual income tax, high property, low sales and income. Overall we rank 27th. Now you can see the national ranking after LB 1059. We go up to 22nd in sales tax. We go up to 24th in the nation in income tax. We go down to 22nd in property tax. Do we accomplish that goal of equalizing that tax burden? Yes, I think we do while at the same time we stay right at the same, 27th nationally in the total state and local burden. So the first goal, is it accomplished? I think it is. Second goal, equalizing some of the disparities among the funding of school districts in the State of Nebraska. You know, if you want to flip on the other side of that, there is that shotgun chart that we passed out before to you that looks like, you know, we have a new method of explaining things to our colleagues, have a dot-to-dot scheme, that's not what it is. What those things tell you, if you want to look at that, the actual General Fund levies has a variance of the average spending for school districts. If you looked on the left-hand column you see a dot there, up from the .75 levy, they are spending 10 percent above average. They have a low levy, they spend above average. On the other hand, you look way out on the chart above \$3.25, you have a school district that is spending four times, has four times the levy of the other district, they are spending 30 percent less. Is that fair? Is that a problem? I guess you can only answer if that is fair. I happen to think it's not. Is that a problem? Yes, it is, because of lawsuits in Kentucky, Montana and Texas where Supreme Courts have come in and ruled school finance methods unconstitutional and inequitable. Now, if you go through all