

support of Senator Warner's amendment to 1059. The issue is one of do we fund it at a level that we feel is appropriate, or do we, as Senator Moore is going to explain on his time, phase in the proposal. I have no problem with the increase that Senator Warner would put in place with his amendment and the income tax to take effect for one-half of the year, which would basically double up the withholding, but raise the money so that the program that I feel is very important that we have spent two years on, or that the commission has spent two years on, and this finally coming to fruition here on the floor. If we're going to do it, it is not something that I have, to date, thought about phasing in. I think that strictly based on some of the things that we're going to be faced in the next six to eight months, with regard to court action and the case that very likely will go before the Supreme Court dealing with our school financing system, that the Warner amendment, which would let the implementation of LB 1059 take effect and put it in full force January 1 of 1991, is a very good amendment, and one that all it basically does, I think, is clean up provisions that to date, because of shortfalls in revenue, for no other reason than that we need to enact this amendment to the bill. I would urge your support.

SPEAKER BARRETT: Thank you. Senator Moore, followed by Senator Hefner.

SENATOR MOORE: Yes, Mr. President. In response to Senator Warner's question, I thought I had the answer. I want to confirm a little bit. The way the equalization formula works, it's based off income data of previous years. So, therefore, what you would do, if you do not pass the Warner amendment, you would amend the A bill down, whatever amount would be necessary, 70 million dollars, 50 million dollars, you know, 70 million dollars if we don't...if...truly in the fund itself would be 70 million dollars. If there is some money there, it would be something less than that. But, if you would do that, let's say you do that, you amend the A bill down by 70 million dollars, you decrease the amount of pool in the equaliza...the money available in the equalization pool, you know, by...down to about 200 million dollars is what it amounts to. Two hundred and sixty is what's in there now, 190 million, whatever it is. So, you'd have less amount distributed on the equalization formula. The formula, no matter where you have the income tax rate go into effect, the formula is based off of income data of past years. So that income...I mean it's not like the formula will