

the 8.5 percent provided by LB 84 last year will not be given this year. We have not the money for it unless we raise taxes again to pay for it, and it would be provided the same inequitable way it has been in the past. That will be added to the tax bill. If 1059 does not pass, the effects of LB 316 and the increased valuation on agricultural property will still be there, property taxes will increase 15 to 20 percent, increased 15 to 20 percent, especially in rural areas if LB 1059 does not pass. My question to anyone who cares to answer it in the debate that goes on, what will happen to property tax levies and the current inequity in tax base between school districts, what will happen to those if we do not pass this bill? Thank you.

SPEAKER BARRETT: Senator Warner, please, followed by Senator Hefner.

SENATOR WARNER: Mr. President and members of the Legislature, I was just going to comment this funds in part the gap between the bill and fully funding it and I believe...I'm not sure of the number that Senator Conway used, but it would raise additional funds to the extent that if these estimates are somewhere close, why property taxes would probably only go up about 1 percent. Statewide, next year with this additional funds it should raise about 68...62 to \$68 million. And Senator Elmer made the question how much...or if you do nothing, how much they go up and I will repeat the number that, assuming normal growth, traditional growth in all governmental subdivisions, why it would be about...in the absence of LB 84, of course, why property taxes would go up on the average...or statewide basis about 16.5 percent. With this amendment they will go up about 1 percent. It's not a question of whether they're going up or down, it's just they're going up, it's how much.

SPEAKER BARRETT: Thank you. Senator Hefner.

SENATOR HEFNER: Mr. President and members of the body, I have a problem with the Conway amendment. As I understand it, Senator Conway increases the state income tax to a rate of 3.43 percent and that's effective after January 1, 1990. And we're three months into the new year already and when this...and the withholding will start, as I understand it, about the 1st of July, 1990 at a rate...at an increased rate of 17.5 percent. Well, I think we have the same problem here that we had with Senator Warner's amendment yesterday. I think this just confuses the issue a little more and, what we're doing, we're