

September 30, 1992 LB 11

activities, infrastructure, and in many states and other nations, cigarette tax money is devoted to health care activities. And I will try and argue as strong as I can and every chance I can that more of the cigarette tax money needs to be sent back to health care and whatever additions in the cigarette tax, at least some of them, ought to go into health care. And so I think it's an inappropriate diversion of the money to go into this MIRE program. If the cities want to have another funding source, if they want to work on their bonds through their own funding base, that's one thing. But to come to us at the state level funding resource of the cigarette tax and say that that's the cities and that's theirs and we can't touch it, we can't reduce it by a significant amount of money I think is a mistake. I do support the original bill. I do oppose the Schellpeper amendment. I hope you will as well. We are not cutting the municipalities significantly. We are not cutting state aid at all except in certain select areas. We are cutting state agency budgets, we're talking about state operating budgets being cut. It is appropriate that the local subdivisions have some of the impacts of the budget crisis we suffer from because a large part of the budget is state aid to individuals and local subdivisions. They have to be part of the solution to the budget problem. Let us include this bill in its original form as part of that solution. It's even less than I would like to see, but certainly the Schellpeper amendment is weakening it far too much and I would oppose the amendment.

SPEAKER BAACK: Thank you, Senator Wesely. Senator Beutler.

SENATOR BEUTLER: Mr. President and members of the Legislature, I just wanted to dwell on a couple of points. We always talk in these situations about the pressure we increase on the property tax. And, of course, to some extent that's true. But I think that everybody involved and everybody who is the beneficiary of state funds needs to understand that when such a large part of our budget is aid to local political subdivisions that when times are tough the flow of funds to them is also going to decrease. That's in the natural order of things. And I think that what they are then called upon to do is not increase property taxes unless that's what their citizens want to do, but like we are doing, they, too, are called upon to cut back and to reduce their budgets and to bring them in accordance with the revenues that are there from their property tax levies and from the aid from the State of Nebraska. So it always bothers me a little bit when people say, well, you're creating pressure on