

SENATOR BERNARD-STEVENS: The amendment is adopted. Raise the call at this point. And, Mr. Clerk, next amendment.

CLERK: Mr. President, the next amendment to the committee amendments is by Senator Beutler, AM3998. (Amendment can be found on page 1412 of the Legislative Journal.)

SENATOR BERNARD-STEVENS: Senator Beutler, you're recognized to open on your amendment.

SENATOR BEUTLER: Senator Bernard-Stevens, members of the Legislature, the amendment has been passed out to you. Before I discuss the amendment itself, let me say by way of preface that I'm very grateful for all the work that the Revenue Committee has done on this entire question. I think it's marvelous that they've been able to come up with such a detailed plan in such a short period of time, considering all the subtleties and complications and implications of this entire project. And I would like to say also, by way of preface, that I am supportive of the effort. And the amendments that I propose either today or on Select File are generally designed, hopefully, to help the cause and also with respect to this particular amendment to put me in a position where I feel comfortable supporting the whole effort. It seems to me that we have done a lot in this particular bill and in the other relates bills in the package to at least attempt to protect cities and attempt to protect counties, and there are various alternative taxes and mechanisms by which those two entities can move to protect themselves under this particular proposition. But the school districts...but the school districts are left out there extremely exposed. Under Section 2...subsection (2) of Section 1 the school district levy is going to drop to \$1.10 in a year, by January, 2002, and down to \$1 after that. The average school levy in Nebraska is \$1.41, that means by the time it drops to \$1 we're looking at something 25, 30, 35 percent, most school districts, somewhere in that range, a drop in their revenues. The amount...the total amount of money that's affected is going to be at least \$200 million, maybe somewhere closer to 250...200 to \$250 million, I'm not sure we know exactly. In any event, it's a huge amount of money. What my amendment says is that prior to these levies coming into effect the Legislature shall have raised, either by income tax rate increases or by expanding the tax base, it will raise and use at least \$150 million, \$150 million of resulting revenue will be added to the Tax Equity and Educational