

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

February 28, 2000 LB 1107

your choice to go to 40 percent, but that would be a fair chunk in the next fiscal year. Even the 1 percent reduction, as is calculated here, costs some money. But Senator Wehrbein asked about an objective that many people have stated over the years, and that is to have property taxes equal one-third of the support for local governments, sales taxes equal one-third of the support for local governments, and one-third of income taxes...I'm sorry, aggregate of governmental support, state and local, one-third, one-third, one-third, one-third for the support of aggregate state and local governments. It is our estimation, our estimation that next year, next year with the dime drop in schools, the dime drop in the school levy, that that's where we'll be, or at least close enough for government work, that's where we'll be. Now you have to exclude gasoline tax, Senator Bromm, when you make that calculation. But if you...if you work out the numbers in the aggregate we expect to be there for all intents and purposes. Actually, at that point maybe sales taxes will be lagging a little bit from their anticipated one-third support, but we're going to be very, very, very close if our...if our estimations are anywhere in line. And, Senator Vrtiska, Senator Wehrbein, Senator Bohlke, if I thought we had the money, I'd instantly amend this bill so that it said that property taxes aren't going to be more than 40 percent of the support of local schools. But at the moment that would be 5 times 13, you can all work out the math, that would be another \$65 million, if you want to...in the next budget cycle. So if the body wants to commit themselves to another \$65 million in the next budget cycle, that's okay with me. But I think it's probably more realistic to just suggest that we will reach the 45 percent target on an interim basis, and then, as Senator Wehrbein suggests, if we're able and if it meets our policy objectives then to lower that number from 45 to some other number at a future time. And even keeping it at 45 percent, as I've noted, if you adopt the amendment that I proposed, does cost or will cause a fiscal note to be issued for this bill indicating an increase in state aid for K-12 schools of about \$13 million in the year 2001-2002. With that, I'd ask for your support of the amendment.

SENATOR CUDABACK: Senator Janssen, on the amendment.

SENATOR JANSSEN: Thank you, Senator Cudaback, members of the