

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

February 29, 2000 LB 1107

quickly, then you would...this would kick into effect and there would be more state aid available. But I think you need to keep in mind how much money is involved, the fact that we're already making an additional significant contribution even without this bill from sales and income tax money to state aid formula and to schools, and that this is primarily a property tax relief measure and it would be primarily a nonequalized property tax relief measure. Thank you.

SENATOR CUDABACK: Thank you, Senator Raikes. Senator Kristensen.

SPEAKER KRISTENSEN: Thank you, Mr. President, members of the Legislature. I think Senator Wickersham has obviously pointed out, for those who are trying to follow the debate, accurately what some of the obligations are going to be. Now, he puts...he puts nicer terms on to it than I might do, but the concepts are still the same here. Senator Wickersham, and I...I'm going to ask you, and if it takes you a few minutes to find the numbers please do so, I assume that your reference to the \$13 million is with some assumption of growth in valuations somewhere over the 5 to 7 percent range, and that that would be based on this year's current aid, the current balance between what we give to state aid right now and property taxes. But if, for example, valuations would drop and there would be a change, obviously, that would mean there are less resources available at the local level in the eyes of the formula. But what is crucial about that is the interplay between how much money is raised locally and how much is available for state aid. In effect, if those valuations go down you might have more state aid, and so the percentage would rise. But there also is the opportunity for it to work the other direction too and what could happen is that that \$13 million could blossom to 20; it could be more depending on what that percentage is. As you put more money into the system, any small percentage change increases the dollar amount dramatically. That's what scares me, is down the line am I obligating myself to a lot more money? And then to do it, it isn't just a matter of in the budget cutting a line in the budget. You have to change the statute. So you don't do the changes in the budget. You do the changes in another bill, in a statute, and what you're going to do is to then vote against giving 45 percent property tax and it will be couched as you're