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on the Wickersham amendment.

SENATOR KREMER: Thank you, Senator Cudaback. Members of the Legislature, I had my light on last Friday and was going to make a few comments, because I keep hearing that, with a 45 percent lid on the property tax, that that would be a lid, and then any increase in costs would go on sales and income tax. If 45 percent is a lid on property tax, then 55 percent is the lid on sales and income also. And all this would do is when the school, the costs went up for education, they would both go up together; the 45 percent would go up. If it was a dollar amount as a lid, that would be different but, when it's a percentage, each one would react accordingly. So I think it puts some stability into the equation, even on income tax. This year as our valuations went up dramatically, there was less, about 38 million, or I've heard 29, I don't know, somewhere around \$30 million less spent in state aid, just because of the valuation going up. And we keep saying property tax relief, I don't think this is even relief, it's just putting stability into it and to show that, if the property values go up that much, the levy will come down. I'd like to ask Senator Wickersham a question, please.

SENATOR CUDABACK: Would you yield, Senator Wickersham?

SENATOR WICKERSHAM: Yes.

SENATOR KREMER: If the valuation went up considerably, then the levy rate would come down in order to attain the 45 percent value? Is that correct?

SENATOR WICKERSHAM: No, it doesn't quite work that way. What it does is the calculation is whatever percentage you set, the bill as introduced was 45 percent, you multiply that times needs, which is also a calculation in the formula, you get a number from needs, and multiply that times 45 percent, divide that by adjusted value, and you have the local effort rate that is necessary to generate 45 percent of needs.

SENATOR KREMER: So, if the valuation went up considerably, the local effort...the levy would...