

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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would rather raise property taxes? That seems backwards to me. Now, why do I think that we should override the Governor's veto? I haven't found any good reasons in his message to actually act on his advice, but there are actually positive things to say about LB 1107. First of all, I think it will stabilize the amount that we appropriate for state aid to schools, because it will call for a different method of calculating state aid that we would put into the formula. The current calculation requires use of several different variables. Senator Raikes can maybe tell you more about those if he wants. I don't know whether to wander into that discussion or not, but there are several variables in the current calculation. As they go up or down, it affects the amount that we have to appropriate as state aid. LB 1107 produces a more stable method for calculating the amount of state aid over time, and again I'll call to your attention that this year, quite unexpectedly, we had a \$29 million drop in state aid.

SENATOR CUDABACK: One minute.

SENATOR WICKERSHAM: The other point to be made about LB 1107 is that if we adopt it that we will be able firmly to say to our constituents, at least in the context of schools, that valuation increases won't mean an increase in your taxes. But right now we can't tell them that because we already know the valuation increases on a statewide basis reduce state aid to schools and increase property taxes. We should not have to tell our constituents that increased valuations mean higher property taxes. The third reason to vote for LB 1107 is that it will decrease the rate at which property taxes will increase over time, and I passed out a chart that shows you what has happened over time as we have attempted to reduce property taxes and you can see that at various points, 1990, 1996, we reach a critical level and then we take dramatic action to reduce property taxes. I would rather put us on a more even keel and LB 1107...

SENATOR CUDABACK: Time.

SENATOR WICKERSHAM: ...will help us to do that.

SENATOR CUDABACK: Thank you, Senator Wickersham. You've heard the opening on the motion to override the Governor's veto on