

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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April 11, 2000 LB 1107

SENATOR WICKERSHAM: Thank you, Mr. President. Senator Tyson, if...Senator Tyson, if you don't mind, I'm going to...maybe I'll give Senator Wehrbein a moment or maybe I'll just talk about the answer to your question and if Roger has any disagreement with what I'm saying then I'll give him some time. Senator Tyson, the answer...

SENATOR CUDABACK: Senator Tyson,...

SENATOR WICKERSHAM: ...the answer to your...

SENATOR CUDABACK: ...do you yield?

SENATOR WICKERSHAM: ...question is none. None is the answer to your question. And, in fact, what the real answer to your question may be is, how much will state aid reduce without LB 1107 and how much will state aid reduce with LB 1107? The current estimate is that without LB 1107 state aid next year will reduce \$24 million. That is below the amount that's in the budget. State aid will be reduced again, remember? It was reduced this year by \$29 million. The real estimate is that without LB 1107 it will go down \$24 million next year. Why? Because we're projecting valuation increases across the state of Nebraska. We don't know exactly what those are going to be. If they're anywhere near 9 percent for adjusted valuation that we're now projecting for assessed valuation, state aid will go down even more, and property taxes will go up as a result, bar none, absolutely guaranteed. And that's the issue behind LB 1107. If we pass LB 1107 state aid won't go down as much, property taxes won't go up as much, and I think we'll be the better off. Without LB 1107 property taxes will go up; state aid will go down. That's the answer to your question. Now, I think that's the wrong answer to his question or at least the wrong result. Valuations are going to go up, property taxes for schools are going to go up, and state aid is going to go down just because valuations went up. Make any sense to you? Well, if it does, you'll vote to sustain the Governor's veto, if it doesn't, you'll vote to override. I think there are other reasons to vote for the override. I've heard some discussions that state aid isn't the right way to provide property tax relief, at least state aid to schools. Well, 45 percent of what