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LB 540

Legislature in four years would be free to reduce the appropriation or increase the appropriation to whatever level they like. How the formula works, and again Senator Raikes can correct me as I'm fairly new to the Education Committee, I'm trying to establish this. But it allows needs to grow at 2.5 percent a year. In my opening I talked about 3 percent to try to round it and maybe that's confusing. But we're saying in the formula needs grow every year at 2.5 percent. Senator Raikes...and then there are, of course, some other ways that needs can increase, like he mentioned, increased enrollment, things of that nature. But what Senator Raikes' amendment to LB 540 does, and again I agree with the general concept or general premise of LB 540 and I'll support it, regardless of what happens here, I'm just suggesting that when Senator Raikes, or in LB 540, that it holds the growth or the needs to zero, that's artificial. We don't...we haven't changed anything as it relates to controlling costs. We have just artificially said that your growth can only be zero. So as I mentioned, assuming state aid to schools is \$500 million a year, well, by the year 2005, that will have grown at 2.5 percent each year compounded, so about \$550 million. But we're still saying the needs are \$500 million. So just because we say the needs are a certain number, that doesn't mean they are. Again, we're artificially holding down the needs. And what I'm suggesting is at least allow us to track it so we know what the needs would be in four years. When we talked about this on General File, I had mentioned this analogy. And we have a fund that at one time Senator Vrtiska was very involved in. It's the 309 Fund, and it goes to funding our state buildings. And we made a commitment to put a certain amount of money in that fund and, of course, that's changed over time as our budget situation has deteriorated, and we haven't put as much money into that fund as we should have. Well, those buildings are still dilapidated and still need repair, so even if we say that by taking money away, even if we say that those repairs aren't needed, they're still there. And that's what I'm suggesting in an analogy to the state aid formula. We have said, and we have put into our formula some years ago, ten years ago I guess it was, that needs will grow at 2.5 percent per year, a very modest rate. And again, if there's an increase in the enrollment, that can change. But what I'm saying is that LB 540, through the