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FLOOR DEBATE

March 22, 2004 LB 1093

the wrong direction. Now, don't worry. No charts, no graphs, none of that today. I've stripped down my proposal, my view of this, to bare bones. I have an amendment drafted, but I couldn't sell it in the Education Committee, so I don't think there's much chance I'd be able to sell it on the floor, so I'll hold off on that for now. But what the amendment would do, and what I had stripped down my proposal to is this. Throw out all the plans and growth rates and whatever else; could we at least agree that we have a problem, that we have a problem, that our system doesn't work and that we need to make a change? The consensus in the Education Committee was, well, no, what's the problem? What? We don't see the need for that kind of wholesale change. One thing I'm going to try to do is convince you this morning that we have arrived at that stage where we do need that kind of change. In 1990, the state made a commitment to make a major shift of K-12 funding--shift the burden from property onto state sales and state income tax. What happened was...that was LB 1059. What taxpayers noticed was, okay, the shift is being implemented, but property taxes are still going up right along. What's going on here? There were petitions abroad in the land in the mid-nineties to make changes in taxation and spending and so forth. The Legislature stepped in, in the mid-nineties, and said, all right, okay, we see there's a problem here; we're going to establish a phased-in system of levy lids and eventually drive the property tax levy lid down to a dollar, and this is not going to be purely a dollar-for-dollar replacement program; we're not just going to replace local dollars with state dollars. Now, there's some disagreement about this, I know, with state senators, with some staffers here, with people who have been here for a long time. I've got the stories in my file. This is how it was presented to the public anyway, the late Jerry Warner, especially, and others quoted in news stories, using words like "discipline," "merger," "consolidation," saying that maybe there would be some additional state aid in a few unique circumstances, but this is not going to be a dollar-for-dollar replacement because that really doesn't do anything for the burden on the taxpayer; it's going to be based on efficiency, discipline and so forth at the local level. What happened...I think it was 1996 that this system was implemented. What happened was we had an unprecedented, unexpected revenue flood tide that came in