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FLOOR DEBATE

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is accurate, their levy will not increase to resolve this problem. And also keep in mind that this is only for the additional costs of retirement. If they spent...if your district out there spent, you know, \$100,000 last year in retirement and their obligation next year is \$105,000, we're talking about \$5,000 being exempt from...you know, giving them additional levy authority and additional budget authority. But if they're already under on the levy authority, they could raise that regardless of this bill.

SENATOR LOUDEN: Well, if this amendment isn't attached to it, what will happen? I mean they'll still be able to pick up part of that shortfall, if they so desire. Am I correct on that?

SENATOR BOURNE: Absolutely right. If you're district is at 80 now and they have...so obviously they have, what, 25 cents in budget...or in levy authority, they could raise the levy now to respond to this shortfall in the retirement fund. Those districts that are at their levy would...this would just give them a little bit of leeway to respond to. And again, it's not all retirement costs. We're talking about just the additional retirement costs due to the shortfall in the state fund.

SENATOR LOUDEN: Well, is that...does that have to be all paid for in this one year? Is this over a period of years?

SENATOR BOURNE: It's over two years.

SENATOR LOUDEN: Two-year period of time?

SENATOR BOURNE: And, as Senator Landis pointed out, Senator Louden, if this goes through, there might be an increase in the levy for the first two years, but then there would be a decrease in the levy or the property taxes in subsequent years.

SENATOR LOUDEN: Now that shortfall came about, as you say, it wasn't through anybody's fault, but not...

SENATOR BOURNE: Absolutely not because of anybody's fault. We have an Investment Council here in the state that I believe is second to none in the entire country. Every state has had