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LB 38

areas decided to use this authority to make up everything the state underfunded, it could be as much as \$25 million a year. But in fact, all the community college areas, other than Northeast, have elected to make up less than that maximum amount.

SENATOR HEIDEMANN: If we pass this amendment, won't it show, though, that they will have an increased need, because more money from the state aid will go to Northeast, and then they will pick up more through property taxes in the rest of the state?

SENATOR RAIKES: It's a good question. But actually, the way it works, at least as I understand it, is there would be a reallocation of that need, as you describe it. I don't think that's actually what it's called in the community college formula. It's called a revenue base. But there would be a reallocation of that, rather than an increase, as the result of this.

SENATOR HEIDEMANN: Correct. It would be a reallocation of the state aid. But to make up for what they lost in state aid at that time, wouldn't they want to increase their property tax? Because there are some community colleges that don't really even realize all the property tax that they can already levy. Is that correct?

SENATOR RAIKES: They...when you say "realize," they don't now levy it.

SENATOR HEIDEMANN: They don't (inaudible).

SENATOR RAIKES: Yes, that's true. And your guess is as good as mine on that. My guess...

SENATOR CUDABACK: One minute.

SENATOR RAIKES: ...is that probably the additional levy authority that they've actually used would be indicative of what they'd do in the future. They haven't used all the levy authority that was made available to them by this LB 38