

work very well. But tax equity has been the big issue, it's been my big issue. I felt this should come first. If you will note 505 had in it a one and a half cent sales tax, \$135 million. That substantial amount of money will do quite a bit, will do most of what Senator DeCamp and Senator Nichol want to do in their amendment. I think if we really address the inequities in property tax relief, we compare to other states, but I doubt if there is another state that relies as heavily on real estate to finance schools as we do here in Nebraska. Tax equity should come first. I really think 662 should be delayed until we do the financing first, but I will support 662 if we get some assurance here of some real changes in tax equity, that we put some money into it and do the job up right. Thank you.

SENATOR LANDIS: Thank you, Senator Remmers. Senator Warner, followed by Senator Conway.

SENATOR WAPNER: Mr. President, members of the Legislature, I'm a little intrigued with the amendment. Obviously, if it is going to take effect in 1987, obviously, 1986 would be notwithstanding what anyone would think the tax ought to go up January 1 which would be before the Legislature convenes. I know that presents no problem in an election year because we all know that the public, not only generally but I think probably a vast majority, as I've listened to the speeches, would support, overwhelmingly, a shifting from property tax to sales or income tax. So, obviously, that is popular, and obviously if you are running for reelection, you want to be on the popular side of issues. So that I guess I can dispel a little problem that really isn't an issue here. I have a little problem with the amendment in another respect though. If we didn't want to fund 45 percent unfunded liability, I have an even more difficult...establish a 40 percent figure with an even greater unfunded liability. To me, at least the figures that were used by the Department of Education, and I think they are a little low, would indicate \$162 million which one and a half, two percent sales tax, or equivalent sales, income tax would do. But I'm not going to support this amendment because the issue is if you aren't willing to put the money in when you are going to make the policy position, it means nothing, you've done nothing. It makes no sense to say we're going to, at some day in the future, do 45 percent, and it makes even less sense that we are going to do 40 percent sooner and not fund that either. So I would urge you to repeal or reject the motion. It's