

nonresident tuition than is per pupil expenditure? First of all, the philosophical basis of supporting education through property tax dollars in this state is that anybody who lives in a geographic area that uses a school should pay taxes on an equitable fashion to support that entity. A Class I school district does not have a high school, has to send its students from the Class I district to a high school. Philosophical argument behind tax equity is, when they do that, when those citizens of that taxing district, that Class I district send their children to the high school, they should support that high school on the same tax basis as the residents of the district. They should not be able to opt out for a rental fee, a users fee, an admission fee. If they're going to use that high school they should pay on the same basis that everybody who lives in that high school district pays. It's the philosophical argument behind tax equity. The dollars and cents argument behind tax equity, or what we usually come down to in this body, we talk philosophy and then we tire of that very quickly and ask for a printout, what does this do to my district. In general let me tell you what it will do to this district and you can check this out in the fiscal note in the book. It will basically provide a 10 million to a \$17 million tax break to residents of Class I school districts, a 10 million to \$17 million tax break to these residents. Who is going to pay? Who is going to pay for this tax break? Tax breaks are not free. We all realize that. The people that will pay are in two categories, number one, the receiving district will be paying. They will receive fewer dollars from the Class I districts to operate their high schools. The residents of those receiving districts will have to pay higher property taxes. The second category of people that are paying, I see a lot of Omaha and Lincoln senators kind of milling about saying this doesn't relate to me, I'll let other people fight it out, I'll tell you who the second group of people are that are going to pay, are those school districts that receive equalization, school districts like Holdrege, Nebraska, like Broken Bow, like South Sioux City, like Chadron, like Millard, like Elkhorn, like Beatrice, like Fremont, like Grand Island, like Hastings. Those districts that currently receive equalization money are going to find that they are going to be sharing that equalization pot with these districts that are not receiving the funds that they need to operate from the Class I districts. For that reason we should not change the tax equity concept. Now this amendment goes further than just