

we could maintain that spending for at least into the late 1990s based on the 1 cent sales tax and the 17 percent increase in income tax. We based that assumption because we thought the lid that came out of the Education and Revenue Committees together would limit school spending to an aggregate 5 percent. That's why we put a budgetary limitation. The committee...the floor of the Legislature expanded that...that...that budget limitation. We expanded it later on to the point where school district spending has actually been, in the aggregate, 6.5 percent since LB 1059 passed. You'll hear a lot of your local school districts complain to you because the Legislature has not maintained the 45 percent funding. Part of that is because we have not kept the lid...as tight a lid as we had anticipated so it is not...we have not maintained that 45 percent funding. A final thing that we were wanting to do with the lid was LB 1059 was an equity equalization measure. We wanted to bring school districts closer together in their per pupil spending. The committee that created this originally said, I think it was 2.5 percent to 5.5 percent as the range. The committee, before it even got to the Legislature, that made the recommendation cut off the lower half. What we were going to say is school districts that now were spending above the statewide average would in fact be able to spend much less than those school districts that were way below. We were trying to bring those together. That was the rationalization for the lid. I...one of the handouts I gave to you, it says what the Legislature is supposed to do on an annual basis. It says, and that's the one here that has the...just the sections of statute. It says that the Legislature shall annually establish an allowable growth rate. The Legislature shall set the basic allowable growth rates based on projections of available state revenue and the cost of living and cost of education from nationally accepted cost indexes which shall be provided by the Nebraska Economic Forecasting Advisory Board, the Legislative Fiscal Analyst, the Department of Revenue, and the State Department of Education. Senator McKenzie or Senator Warner, you can respond to this on your own time if you would like, but I doubt if any of this data went into the creation of this bill. My guess is it came from the Governor's Office and the Governor's Office was simply wanting to make a tighter lid all the way around and they recommended lowering it by one percent. We, in the Legislature, are supposed to. We haven't done this. Yeah, I am as much responsible as anybody 'cause I was Chair of the Education Committee...