

April 3, 1996

LB 1050  
LR 230

PRESIDENT ROBAK: The Chair recognizes Senator Abboud to open on his motion.

SENATOR ABOUD: Madam President, members, this proposal is a two-year phase-in. It calls for this particular bill to be phased in dealing only, again, with the School District Income Tax Fund. And it would phase in the funding levels down to the 1992-93 level of \$102,200,000 in the year 1997-98. So it offers a two-year phase-in with the approach. And basically the arguments are all the same that we've offered before and I urge the motion to return for this specific amendment. Thank you.

PRESIDENT ROBAK: Thank you, Senator. Any discussion on the motion to return to Select File? Senator Bromm.

SENATOR BROMM: Thank you, Madam President. I would just like to touch on a couple things, are a little bit different maybe, not entirely, but a couple things I want to remind us of. Within the last two or three days I've received a special committee finance report on LR 230, which is the Special Education Finance Committee that's working on recommendations for changes in the way we finance special education. And I don't know what we're going to do with that report, but when that report comes out, that's going to suggest, without any doubt, further changes in the formula, in 1059 formula and in this formula. And that's going to be...that's going to come to a head this year. So that's another variable that we're not, we're not really waiting on. I think the, the property tax payers of Nebraska were hoping that if we went into this area we would take wealth into consideration to a greater extent in terms of income as opposed to just looking at property. That's another basic principle. We rejected that earlier in the session, unfortunately, so we're back to, again, dealing with property tax in the school finance formula. I handed out for you the February 23, 1996 editorial of the World-Herald. And many of the editorials come and go and they...they aren't that noteworthy. But I thought that each and every one of us should take some special note of that editorial. The headlines were, "Breaking Promise on School Tax Would Hurt Faith in Government". The editorial says that the promise to return 20 percent of the income tax we pay, \$1 out of every \$5 that a resident pays in state income taxes was part of the school financing law passed in 1990. There was a referendum, and if you'll recall, in