

that was presented yesterday on 172 although in application it would mean that if a school had a full 8% this year and under 472 they would be limited to a 4% the following year. In my opinion there is not a great problem at least not near the problem as some were lead to believe on limitation as provided in 472 if indeed it is too restrictive and practice if inflation is much greater a year from now then one might anticipate that it could be adjusted if necessary. There are two exceptions from this limitations one of which is in section seven which I pointed out that this is a fast growing school district which would have some additional funds recognizing their problems and then in section eleven when I get to it is an exception for certain federal funds which are usually for inovating programs usually on a three year basis which there is no local tax effort involved. Section seven or eleven, excuse me, is the section that deals with these new and inovating programs one of the...this is in the existing bill that was introduced as far as the study committee recommendations and this was that if new or inovating programs were to be adopted by a particular school district that they would have to carry the expense of those programs for at least 3 years on their local sources that would not be a part of their state aid support. The reason for doing this is that by virtue of some additional state support you do not generate a whole host of programs but rather use also some time period when programs are started to prove whether or not they are needed or effective in that particular district before it becomes a part of the total state support. This does provide for the exception as I pointed out for those programs which are federally funded. SEction 12 again is identical to pay out periods for the disbursement of the state aid to the school districts and it is identical to what is presently the case. Section 13 is the normal amendment which gives the department of education the authority to promogate what rules and regulations are necessary. Section fourteen then now becomes is a key section in which this is the section that designates to the board of equalization what revenue they must take into account when studying sales and income tax rates. If you look at the bill as it was originally written you will see that we amended 77-271501, I believe it is which is the section dealing with the rate setting procedure. We struck that whole section from this bill because this section will correctly be taken care of in 529 which is on the board and it is not necessary to place in the school bill and also the amendment is also needed for other legislation.....

(end belt #5)

(start belt #6)

besides this particular measure. Subsection one of section fourteen then is the authority for the transmittal from the department of education to the board of equalization of this dollar amount the first subsection one means that half of the total year the total states contribution will be provided the first year as I pointed out initially. Subsection two then shows that the second year the balance of the states share will be raised by the board of equalization and subsection three then carries out what would be the ongoing program after the first two years. What the provision on the ongoing basis is that they state would the state board of education would certify to the governor, the executive board, the legislative council and the individual members of the state board of equalization and assess the exact appropriation the previous year made by this body plus 10% now the plus 10% the way the simple mechanics will provide the money for two years hence, that is why you must add 10% as taken into account of 5% growth