

April 8, 1974

at \$18, maybe \$17.50.....

(End of Belt 5)

(Begin Belt 6)

was the exact figure but \$18 was close enough that I could support the \$18 figure with the increase in the tax rates as number one and the inflationary trend in groceries. So I would have no great feeling one way or the other about the \$18 at this time. It can be deleted sometime in the future or it can be added today.

SENATOR F. LEWIS: Mr. Chairman, I'd like to just make a couple of comments and then I think I will propose an amendment...to the Burbach amendment if I may.

PRESIDENT: No.

SENATOR F. LEWIS: Thank you for that information but I will propose a question. Jeez, everybody in the Chair's getting tough these days, it's popular. But the question I have is the fact that we're dealing with a very stable dollar figure for 1974. For schools, that's the \$55 million dollar figure. And certainly I am in favor and have expressed on the floor of no tax on food but the problem I think we're going to run into with this particular proposal this year by increasing it \$3 will simply be the fact that school districts that already have a set dollar figure are going to lose what's it worth...\$2½ or \$3 million dollars, did it go up \$3? Three point four million dollars till then you actually have a school fund of about \$51 something million dollars. So in the net effect will be an immediate loss to schools without having any direct tie to LB772. So my concern is, that's the question I ask, Senator Burbach.

SENATOR BURBACH: I did not answer you correctly. If this is...if this is your line of thinking of the moment, the \$13 comes from the state General Fund identically the same as the \$10 does now. After the implementation and the increase, the State Board of Equalization will provide in 197...in November 1974, when the new rate goes into effect, that is when the \$18 goes into effect for the full year of 1975. And so therefore, it won't take effect and that \$5 comes from the LB772.

SENATOR F. LEWIS: All right, in other words, the increase from \$10 to \$13 will be out of General Fund money. It will not affect the school funds as now. Thanks.

PRESIDENT: Senator Whitney.

SENATOR WHITNEY: Mr. President, members of the Legislature. I'm going to support the Burbach amendment. Since it comes out of the General Fund rather than out of the school fund. But I think what we're trying to do here, what the proponents are trying to do is simply political. And it's not going to work. And why? Because the people know that this Legislature every year or every two years already exempts food. And now this is just a camouflage, it's being put on LB772, admitting that the bill LB772 is not a good bill in the first place. So now they're trying to doctor it up. But I say you can't doctor it up like this because you cannot