

within the 7% lid and meet the rising cost of Medicaid without cutting other necessary services. Is that essentially as your county has presented to you or do you see the situation in Scottsbluff County?

SENATOR NICHOL: I would think that would be correct.

SENATOR FOWLER: Okay. I guess I would ask a question of Senator Warner. Senator Warner, was it your position in your just previous statement to say that the State of Nebraska cannot stay within a 7% lid, pay its increasing share of Medicaid and other increasing aid and pick up additional costs for Medicaid?

SENATOR WARNER: Yes.

SENATOR FOWLER: Okay. I think basically what we have here if we advance 138 and if we are going to be honest with each other, the counties and the state government, and if we are going to be honest about budgets, if we are going to be honest about costs of services, that the concept of a 7% lid whether it is imposed on the counties or on the state, cannot work this year, cannot work next year unless we want to cut services. Now in the Appropriations Committee we started believing, at the start of the session we believed that the 7% lid was the mandated philosophy based on this special session, based on the elections, based on the rhetoric and we worked on a budget within that and we neglected numerous areas just like the counties are feeling they have to neglect numerous areas and we brought that budget forth and there is also a bill that would make that the philosophy for future budgeting. Now I am willing to vote for 138 if we are all honest with each other and if we all admit that a county can't stay within a 7% lid and the State of Nebraska can't stay within a 7% lid without major cuts in necessary services and I think that that was one of the intents of Senator Lewis' amendments, to point out that we are not talking about property tax relief that basically we passed a lid last year and now the counties are telling us they can't live within it and we are admitting they can't live within it and we are going to let them get out of it. Well if we do that, please do not put a 7% lid on the State of Nebraska. In the next few weeks we will be voting on crucial budget bills and in future years we are going to be voting on crucial budget years...

SPEAKER MARVEL: Forty-five seconds.

SENATOR FOWLER: ...and if we are going to let the counties