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LB 285

from the lid bill, but when it comes to the salary of the employees, you are going to say to them, you will live within the 107%, is that right?

SENATOR CARSTEN: That is true, but as you recall, the amendment that Senator Koch did put on, they still have to absorb the first 7%. I think you might want to address that question to Senator Koch, but if it goes up 9%, then the 2% extra would be included.

SENATOR KEYES: Now, Senator Carsten, I will ask you another question. If we have a total budget that is \$100,000 and half of that budget is funded by property tax and half of it by sales-income, what other sources of money they get, state aid and so forth, the total budget can go up to \$107,000, can't it? Now to raise that \$107,000, and they don't get any more money out of the other funds, that means that property taxes are going to go up 14% and be legal under this bill?

SENATOR CARSTEN: Yes, that is correct.

SENATOR KEYES: So, ladies and gentlemen, what I was trying to tell you when I was talking to you was that this was not a lid on property taxes. It is a lid on the total budget that can be exceeded through several things, as Senator Carsten has admitted. They are being taken out of the bill. So that it becomes absolutely nothing of a limit on spending, on property taxes, what we put into effect in LB 131, 899, LB 1 and now I am saying it has not worked satisfactorily. Our good friend, Ray Johnson, says it cannot be implemented although the Attorney General said it was legal, it could be written. So what we have done now is let these people write a lid bill, and let me tell you who they were that wrote it, the county government, the ESUs, the voc-tech colleges, the League of Municipalities, the NRDs and the schools. They wrote this bill. That is like letting the fox design a lock for your chicken house. I am telling you folks, if you want a lid bill and a lid bill as we intended it on property and property owners only, then do not accept...do accept what I have got offered and I will do away with the lid bill altogether.

PRESIDENT: The Chair recognizes Senator Koch.

SENATOR KOCH: Mr. President, members of the body, I rise to oppose the Senator Carsten amendment. I know the Chief Executive's position but I didn't sign a petition for 302. In fact I ran against it for reelection. I still believe