

pronounced, the UMTA funds that Lincoln has relied upon again are being cut back. In towns of our size, under 200,000, 28 percent of the cost of mass transit is borne by the users payment. The rest comes from some form of either local or federal subsidy. Now we have placed a high emphasis on user fees in Lincoln. In fact, we are well over the national average. We are at over 40 percent that comes from the rider but, nonetheless, even though we have upped our users fees, we have dropped Sunday bus service, we have dropped service after seven o'clock, we still have that 60 percent of that mass transit budget to meet. There will be a 71 percent reduction in the UMTA funds to be distributed in this nation and that phase out will occur over three years. It will be a total phase out with the first year being a 71 percent reduction. Lincoln faces that and faces picking up the tab for the remainder of the mass transit that our user fees do not now pick up. There is also the Urban Development Action Grants, UDAGs, that currently are being used as financial leverage to allow urban redevelopment and to make the most beneficial relationships with the private sector. UDAG funds are being cut back as well. The choices facing Lincoln are cut back our programs to the elderly, curtail mass transit, stop doing business in partnership with the private enterprise under urban redevelopment grants and authorities, or go to the property taxpayer for increased property taxes. We have come to the Legislature to ask for a form of self-help, a one-half cent sales tax, the terms of which have previously been granted to the City of Omaha, requiring us to go to our voters and ask them whether or not they will help shoulder the burden in the form of a half cent sales tax as opposed to cutting the services or going to strictly property tax reliance. That is the need for this money. Let me talk about Lincoln's local government and how responsible it has been over the years. One question you may ask yourself is, can they sock this money away? Can they put it in a surplus and leave it for a rainy day and build themselves up a handsome surplus when other towns may not have that same option? The answer is "no". While surpluses may be maintained according to state law, as high as 50 percent of budgets in other political subdivisions, we can't do that in Lincoln. We have a city charter that forbids us from having a budget, a surplus that is greater than the budgeted amount that we are going to spend. We cannot raise revenue above our budgeted needs in Lincoln. There is no fear of an excessive surplus. Secondly, is this a potential for