

The taxpayers have had the least amount of resistance to the sales tax than any of our other taxes. So the Revenue Committee has adopted that as a very simple proposition. Look to the sales tax for the property tax relief. That is the question we are dealing with. Incidentally, I passed out on the floor a chart which I find very revealing. I wish you would reflect on it. Senator Beutler commented that he didn't want to do property...he wanted to do property tax relief, but he sure as the devil didn't want to do property tax relief at the expense of state government. I just picked this chart out of Senator Warner's booklet that he passed out a couple of days ago. In 1980 and '81 you'll notice that we committed \$834 million to state government. In 1984-85 we were prepared to commit \$1,168,000,000 to state government. That is about a 38 percent increase. At the same time we committed \$601 million to state aid. Four years later we are prepared to commit \$706 million to state aid, that is about a 13 percent increase. The truth of the matter is we've been doing fine by state government when you look at all the funds that go in, whether they be federal funds, highway trust funds, general funds. But we've not been doing right by state aid, or property tax relief. Well, I'm not going to rail away much longer, but the first question you really have to ask yourself is, will you commit \$100 million, through an increase in the sales tax, for property tax relief? If you'll do that, then we'll go back and we'll work through the distributional formula, and there is going to be at least three alternatives. I'm going to guarantee you that. There are going to be three different varieties you can look at. Question A, will you increase the sales tax? I will.

SPEAKER NICHOL: Senator Beutler, then Senator Higgins.

SENATOR BEUTLER: (Response inaudible.)

SPEAKER NICHOL: Senator Higgins, you are up now.

SENATOR HIGGINS: Thank you, Mr. President, even if it is short notice. In regards to the renters that would not benefit from this, property tax, in Douglas County, close to 70 percent of it goes to our schools. I can't believe that everybody that rents a house or an apartment in Omaha or Douglas County doesn't have children going to school. So, in effect, the homeowner is paying the burden for those who