

would be because of that language. So what we have done is we have simply said, you are absolutely right, we have got to reduce the reliance on property taxes. Instead of going the one-third route, we will say that by 1989 no more than 45 percent, no more than...that is different than one-third, but no more than 45 percent of the operational cost of schools in our state should come from property taxes. Now today about 57 percent, about 57 percent of the operational costs of schools come from property taxes. We can move from 57 percent down to 45 percent by 1989 by adding about \$110 million in state aid to schools. That is what the figure comes out to be under my current and under the way the...just under the way the budgets are operating. \$110 million is doable. We can do that. We can attain that. We can attain that through an increase in the sales tax and an increase in the income tax. The Schmit amendment, if done in all of its vigor, if it was simply one-third of all the budgets of all the schools of the state, would cost us by 1989 \$270 million. That is what it would cost us. That is too much money. It is too much money to leave future Legislatures with. It just is. Let's do it in a realistic fashion. Let's make certain that we can appropriate to the needs level. Let's lessen the local reliance on the property tax. Let's make certain that the reliance is a 45 percent across the board, not 45 percent per school district, because, as I said, that little change...that little language totally hamstring a local school district. Let's keep faith with Senator Schmit, and what we really want to do, let's do it realistically. And that is what my amendment to LB 662 does.

SPEAKER NICHOL: Senator Lamb, then Senator Landis, then Senator Withem. Senator Lamb.

SENATOR LAMB: Well, Mr. President, and members, I guess I see this as another bit of a ploy because to repeal the Schmit amendment outright would be up front, but then to put intent language in there saying that maybe we are going to finance them from sales and income tax is really not all that realistic and beyond that there is one departure from the Schmit amendment which Senator Vard Johnson pointed out and that is in the Schmit amendment it said each school district shall not raise more than one-third from property tax and in this amendment it is statewide. So many schools may not qualify for state aid, so they would then, in fact, be raising more than 45 percent from property tax while