

lies the fear at the local level. I think the equal share of the 45 percent is probably more realistic in order to get around those fears but more importantly is more realistic as far as actually raising the taxes at this level and coming up with those funds. So I support this amendment and would reiterate that it is "shall" and is not intent language. Thank you, Mr. President.

SENATOR NICHOL: Senator Schmit, then Senator Beutler.

SENATOR SCHMIT: Mr. President and members of the Legislature, of course, I must rise in opposition to my good friend, Senator Johnson's amendment. I want to raise several issues. Number one, the issue has been raised and Senator Warner has accented the issue by the suggestion that it will take I believe about a 4 percent sales tax to fund the Schmit amendment. I do not know if that is necessary or not. I believe an 8 percent compounded increase for schools for the next four or five years is a little bit ambitious. I don't believe you get children out of an old folks home and you are going to find...you find that you will have less and less young people stay in Nebraska as time goes on unless conditions change here and change pretty rapidly. So I think that ambition is a little bit steep. It wasn't too many years ago we had two schools in David City, both of them had in excess of 300 to 400 students. Now they are both down around the 200 number and I don't see any great potential for growth. So I think that number is exaggerated and is not factual. But let's just assume that it is and the statement has been made that we can never afford that from sales and income taxes. Well, it may well be. It may well be, ladies and gentlemen, that we cannot. But I will tell you where else you can't afford it from. You can't afford it from taxes on property and you certainly can't afford it from taxes on property given the present situation. I want to point out something. I said it before. I think that Senator Landis determined that about 40 percent of the valuation of property in Nebraska is rural and I will just have to take his word for it. I think he is probably accurate. I know that there is some variation. Now under the Senator Vard Johnson amendment, and I want to be careful to identify that as Senator Vard Johnson's amendment, he says we would not have to...each school district would not have to remain under the 45 percent level but they could vary. Well, I would suggest that there would be schools that would vary and I can volunteer some that I