

tried to deal with it with increases in state aid. Now about half of our budget goes back to aid to local governments or individuals. But at the same time I know there needs to be more done but I don't think we have to be the ones feeling bad and feel the ultimate responsibility to act with haste on the issue when we are taking on a responsibility that is not caused by us. The problem is not caused by us. And I think constantly we take that responsibility and not put the burden on the people that are raising the taxes, the local governments. Okay, so that is another concern I have with the state aid part of the bill and it adds to that if the quest that we are taking now is to lower property taxes and if the problem is with the local government budgets, the approach taken under LB 662, I think, probably makes the situation worse. Why does it make it worse? We say that no more than 45 percent of local school budgets, and I mean the whole school system, will not be more than 45 percent. So that means as local budgets go up in the schools, we have to kick in even more money and automatically to make sure that they don't go over 45 percent. So if we in this state Legislature were in a situation where no more than 45 percent of our budget would be state taxes and the rest would be, say, federally financed, well, I can tell you it would be a lot more of an incentive and a lot easier to increase budgets because we would only be paying for less than half of them. Right now they are only paying for 57 percent of them. So you unleash those local budgets which are the problem in the first place that result in high property taxes even further by having a system set up as proposed in LB 662. You make a bad situation worse. Now you don't perhaps have as high a property taxes because we are going to be stepping in and taking up some of that burden but the other side of the coin is you don't get property tax relief without sales tax increase or income tax increase. You spell property tax relief in this state with increased state taxes. That is how you spell property tax relief. There is no free lunch in this Legislature. There is no free property tax relief. It costs somebody something to fund property tax relief and I think to discuss that issue as part of this major bill is a mistake. You can see I have got some concerns and I am trying to express them to you. Now I may ultimately vote for a state aid increase, depending on how it is handled and the way it is approached and what have you, but it would not be my preference at this time to do so, and so I am concerned about that element of the bill and would like to