

us decided that we would take a hit someplace, that is we had to give up something that we liked a lot. And for myself, for example, there is a \$1.3 million cut in the University of Nebraska Lincoln budget. I don't like that a bit. But let's talk about what happens in this Legislature. Usually what happens is that we have a trading up process, that is you have a bill that costs a little money and I have a bill that costs a little money and we kind of get together and pretty soon two bills that cost a little money pass. And that is almost always what happens. And now we are in a down cycle and we need to cut some fundings and out there in the lobby people are saying, now you protect against my cut and I'll protect against your cut and we will succeed in having no cuts. Both of these processes, both of these typical processes tend to work against the taxpayer because they tend to work for increased spending regardless of where we are in the economic cycle. I am asking you today, hoping that today you will look at these four items as a package, you will look at the one where you are taking a hit, where your particular favorite thing is being hurt, and you will give it up in favor of the package. Let's talk about the Appropriations Committee a little bit. We have great respect for the Appropriations Committee. The list that we used was from the Appropriations Committee. We asked people from the Appropriations Committee to come in and give us guidance and they did. We stuck absolutely as close as we could to the Appropriations Committee and the guidance that they have provided, but we had to go beyond. We had to go beyond because the Appropriations Committee adopted the philosophy of a tax rate increase and we could not adopt that philosophy. So however much respect we have for the Appropriations Committee, we had to go on and do more. I want to talk just briefly about what the package is. I had passed out to you a sheet that has four items on it with LB 722 on the left and then 723 and the one additional item. We are talking now about the four items relating to 722 and the first item is a 2 percent across-the-board reduction in state aid. It comes to \$4.6 million. Once again, once again we followed the Appropriations Committee. I have passed out to you a sheet that was passed out to you originally by the Appropriations Committee that has at the top Aid to Political Subdivisions, Item 103. This is a listing of the across-the-board state aid cut that your Appropriations Committee suggested earlier and which we adopted. This same identical kind of across-the-board state aid cut in the amount of an additional 2 percent is what we