

level that we feel we can either afford or is appropriate. In any event, it would be an opportunity to adjust the cost for next year with change in the substantive legislation which I would not expect to pass, but that opportunity is there and it was our recommendation that the full deficit be funded, but again I would remind you that in the Governor's recommendation he did not fund the full amount. He funded only approximately a million, two or 5.4 million less and he has repeatedly in public statements indicated that his basis for doing that was to free up that amount of money for the two years, 10.8 million that could be used for salary adjustments for state employees which, for next year. So there is...or obviously, that funding could be used for a variety of things. But there are a half a dozen key issues that we're going to deal with this year and the funding is going to directly affect whether adjustment in the sales and/or income tax rate may be necessary and this is one of those areas which has a major impact on whether or not a change in tax rates may be necessary or of substantial cuts somewhere...

PRESIDENT: One minute.

SENATOR WARNER: ...over and above what we're looking at in order to provide the funding.

PRESIDENT: Senator Lundy.

SENATOR LUNDY: Mr. President, members of the body, I just rise to reiterate Senator Warner's suggestion that this money in all reality has already been spent, you might say, by the political subdivisions of the State of Nebraska and it seems like to me and as a member of that committee that it's only proper that we reimburse those political subdivisions that have suffered, you might say, suffered the loss of this money during the past year. It's too late for them, the political subdivisions, to change, to go back and change their budgets and increase those budgets if this money were not returned to them. So I think there is an obligation on the part of the State of Nebraska because of the laws that have been adopted by this body to reimburse those counties and cities and all political subdivisions of the state that look to property taxes for their funds to operate their particular units of government. It's only proper that we reimburse them and I think that is the thinking of the Appropriations Committee in making this