

shortly thereafter about half of the school land was sold. It was sold to private individuals, went back on the tax rolls as other land is taxed. But about half of it or about 1.5 million acres is still state school land and the income from that land goes to the support of the schools. It is distributed on a per pupil basis and I support that. I support that proposal that this investment be used for the support of schools. The only thing my bill does is to turn that investment in land into cash and then the income from that money would go for the support of schools and so the only thing we're talking about is what form that investment will be. Should it be in land or should it not be in land? Should it be invested by the Investment Council and the proceeds of that investment be used for the support of schools just as the income is now. Now this...the fact that the bill got out of committee represents progress because it's not often that we get this bill out of committee because members of the Legislature have been reticent, and rightly so, about selling school land. I understand their reticence on the basis of the members of the Legislature to do that, but I would like to present the arguments for selling the school land and also arguments against selling the school land. See the argument against school land is, of course, that it is a stable investment and may not return very much return percentage wise but it is stable and it is there, but my contention is that we will realize more money from the investment if it is in cash and other investments similar that the Investment Council may decide on rather than in land. Now that is one part of my argument. The other part of the argument is that the current system is unfair to some sections of the State of Nebraska because although there is an in lieu of school tax on this land, in lieu of tax for school purposes in the immediate vicinity, there is no tax on the land for other purposes in the locality, no county tax, for instance. There is no tax for the NRD. There is no tax for the Educational Service Unit. There is no tax which goes to support the local fire district or any other local subdivision of government other than the local school. There is an in lieu of tax for the school district in which that land is located. And so my argument is not in regard to that in lieu of tax which does go to the school district, but I contend that it's unfair because there is no local tax that goes to the support of other subdivisions in the county in which that land is located. That's unfair. Now the reason, of course, that the school land was mostly sold in the eastern part of the state is that the eastern part of the state was developed first, was settled first and the proposal came to sell the school land and