

April 5, 1979

LB 365

the South balcony, Mr. Ron Wall of Curtis, Medicine Valley High School Superintendent, Senator Vickers District. Is the gentleman still here? Okay, we welcome you to the Legislature. Senator Lamb, do you wish to speak to the bill, then Senator Chambers and then Senator Goodrich.

SENATOR LAMB: Mr. President, members of the Legislature, I rise to oppose LB 365 and the primary reason is because this bill impairs the ability of the state to raise sales tax in order to have property tax relief all over the state. It is great if you can reduce property tax. This is the thing that all the people in the state or most of the people in the state are talking about now, property taxes are too high. So how can we lower property tax? One way is to cut spending and the other way is to substitute another tax. Now if we continue to erode the state's ability to raise taxes in order to send money back to the subdivisions, then we are precluding a property tax reduction in areas outside of the metropolitan area. I submit that that is not fair. All of us pay sales tax in Omaha in one form or another. All of us contribute to the problem. However with the increased one half percent sales tax in Omaha, what did they do? They lowered the property tax two mills. We would all like to have that same advantage. We would like to lower our property tax and I think we should all have that chance through a state sales tax which can be shared equally.

SPEAKER MARVEL: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, I think Senator Goodrich can probably answer this question for me if he will. Senator Goodrich, are you in support of LB 365?

SENATOR GOODRICH: Yes, absolute wholehearted support. That is just the statement I was going to make next.

SENATOR CHAMBERS: Where does the money come from that is used to repair streets in Omaha, to your knowledge?

SENATOR GOODRICH: It is my understanding that the street repair comes from the amount we pay for cars on licenses, wheel tax, that type of money.

SENATOR CHAMBERS: Does any money come back from the state which could be used by the city for street repair?

SENATOR GOODRICH: Yes, we do get a certain, something like 23% in the formula, that is on the state formula whereby the