

SENATOR CLARK: Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the body, I rise in opposition to the Schmit amendment. I appreciate the points that Senator Schmit has made and that a number of the amendment sponsors have made and I can appreciate the kind of dialogue that has taken place on the issue. Without question Senator Schmit and the co-sponsors of the Lamb amendment and the Peterson amendment and the like, we are talking simply about trying to return to local government as best we can the kind of dollars that were lost when we decided to totally remove the tax from the personal property tax, farm equipment, farm livestock and business inventory. As you may recall, LB 882, the aftermath of which we are not grappling with, was designed to try to return to local government as best as possible these replacement dollars. But we all knew that LB 882 was defective. It was defective because the 70 million dollars going back really did not fully represent the exempted properties. In fact there were assessors and others that came in and estimated that the tax base loss had exceeded 120 million dollars. So already we knew under the LB 882 formula that we were not even beginning to send back to local government near the appropriate sum. Secondly, we also knew that LB 882 was problematic in that the figures that LB 882 were married to were 1974 assessment figures. Here LB 882 was a 1980 bill. So, when we look at the most recent amendments offered by Senator Schmit, Lamb, Peterson, Kahle and so on where they are attempting as best as they possibly can to mirror LB 882 this time through the use of overall state assessment schedules, we have to recognize that mirroring process is mirroring or reflecting already a cracked mirror, it is already a cracked glass because LB 882 was faulty. Now, under the Senator DeCamp approach that I am very reluctantly supporting, I am very reluctantly supporting because I don't think that it begins to grapple with the urban problem. Under that approach what is happening simply is we as a legislature are moving away from ever so gently the concept of the replacement dollar. Now frankly Senator Schmit himself has been attempting to move the legislature away from the concept of the replacement dollar far more dramatically because when Senator Schmit and Senator Peterson and Senator Kahle and the others propose LB 524 which is a revenue sharing program they are certainly transcending the concept of the replacement dollar and instead are saying simply we need to take state sales and income taxes and to let those dollars flow back to local government in accordance with certain kinds of needs and here is how we can do it under LB 524. For my money that is the appropriate path for us to follow in the 1980's, is to develop solid revenue sharing programs and to forget about the replacement dollar concept. I think that is what Senator