

March 18, 1982

LB 816

SENATOR CLARK: Senator Haberman. He's not here, alright. Senator Howard Peterson.

SENATOR H. PETERSON: Mr. Chairman, members of the Legislature, I would rise to support the Cal Carsten amendment. I visited with the mayor of Grand Island this morning on the phone. He informs me that under the formula that Johnny DeCamp is talking about, because he has been a frugal mayor and has actually cut the amount of money that Grand Island has been raising in taxes, that it has cost the City of Grand Island \$40 thousand a year. It will cost them another \$40 thousand if we stay on the old formula. Under Cal Carsten's formula we'll of course gain money. I have to admit that I've said to many people on this floor that normally I would make a judgement based on what I thought was good for the State of Nebraska. I think all of you know that I represent the City of Grand Island and since, under the Carsten amendment, the city will benefit, the county will benefit and the schools will benefit in Hall County, I'd have to stand to support the amendment.

SENATOR CLARK: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, I've heard many times discussion on this floor relative to the relative merits of the many bills that have been proposed by the Revenue Committee. I want to point out I'm sorry I cannot support Senator Carsten's amendment to the committee amendment. I think the reasons have been given by Senator DeCamp. I believe they are an accurate representation of what will happen. I recognize again that Senator Carsten has worked a long time on this and is trying to do something which will resolve the problem and I would just like to disagree and say that if you can't resolve it with some equity, then I think it had better be left in an unresolved position. I'm going to just say once again and it's never been talked about at great length on this floor, but if the matter of revenue sharing cannot be resolved equitably and I think on this Senator Carsten and I agree. It is kind of interesting that many of the businessmen who supported the removal of the tax fund, personal property, have now lost interest because in Lincoln and Omaha they have taken the tax off of that personal property and business inventory and now under this type of formula they will receive the lion's share of the revenue sharing money which means that they will once again get a property tax break. When the chickens come home to roost and the harsh reality of economics are brought to bear upon them, there will be perhaps and I'm sorry to see it, the reimposition of the taxes upon business inventory and at that time again the businessman from Lincoln and Omaha will re-discover the rural areas of Nebraska and will come back and will want some help to get some relief from their inventory