

CLERK: Mr. President, the next motion I have is by Senators Lamb, Barrett, Moore, Chizek, Hall, Landis, Byars. Senator, this is the first version, AM1672. I have a note that you want to withdraw that one, Senator.

SPEAKER BARRETT: It is withdrawn.

CLERK: Mr. President, I now have AM1711 offered by Senators Lamb, Hall, Chizek, Moore, Byars, Landis, and Barrett, AM1711, Senator. The motion is to return, Mr. President.

SPEAKER BARRETT: Senator Lamb, will you handle it?

SENATOR LAMB: Yes, Mr. President and members. This is the amendment which is on your desk, AM1711. This is almost exactly like the one that is in your bill book. It has a few corrections, clarifications. There are no substantive changes from the one that is in your bill book, but it is on your desk for your perusal. And you have the orange sheet on your desk which, again, explains what the proposal consists of. It provides that all property taxpayers have a valuation deduction of 8.5 percent, and that is for 1989 taxes. Homeowners will receive a reduction of 8.5 percent of assessed value or a value reduction of \$5,400, whichever is greater. The homeowner does need to be aware that in order to get the 5,400 rather than the 8.5 percent in those cases where the \$5,400 would be of greater benefit, that they will have to apply for that by September 1st, 1989. Some other questions were asked in regard to those persons who are eligible for our current homestead exemption, if they apply for their current homestead exemption, the elderly and low income, and what happens if they are turned down? Under the present statute, they do not have to file for the \$5,400. They will automatically be considered for the \$5,400 if they have applied for the low income/elderly homestead, so they do not have to worry about that. There is a one-year sunset on the bill, this is a one-year sunset. There is no tax increase in the bill. We do not think there are constitutional defects. However, you know, as I mentioned before, we really do not know and I am very much surprised that Senator Hall now is not supportive of the reverse severability clause because when we put that on there earlier, he was supportive of it. I would also point out that Senator Hall said the original version of LB 84 was constitutional and there would be no problems. Then the Attorney General has said that is not true. So we think there are no constitutional defects but we cannot be absolutely