

people. It will not work, ladies and gentlemen. I suggest you take a serious look at my amendment. Thank you very much.

PRESIDENT: Thank you. I have six lights on and I don't know which ones of you wish to speak to the Schmit amendment and which want to speak to the committee amendments, but please let me know if you do not wish to speak to the Schmit amendment. Senator Ashford. Senator Nelson, the Schmit amendment. Senator Moore, the Schmit amendment. Senator Hall, the Schmit amendment.

SENATOR HALL: Thank you, Mr. President, and members. I rise in support of Senator Schmit's amendment to the committee amendments, and that only comes after a very long look at the issue of personal property. We currently have a system, as the courts have said, that is 75 percent exemptions and 25 percent tax. With the passage of LB 7 to the end of this special session, we will probably have a system that is closer to 80 percent exemptions and 20 percent tax. The reason behind the session, the reason for the call has been that we want to protect local subdivisions, protect their revenue base. I don't know how you protect the revenue base by exempting more of their revenue base, but the way you do that I guess is pass this so that the fear of losing any more of that base the argument is will go away. That, basically, is a coin toss. There is a 50-50 chance it will go away, and there is a 50-50 chance that the base will be taken care of by the courts. What Senator Schmit does is, basically, offer an amendment that wipes out personal property tax which is, in effect, what the Legislature has done over the last 10 years. We are in special session to wipe out more of the personal property tax base, and we are here saying that that is going to fix the problem. That is not about to fix the problem. It is only a continuum of the very problem that we have in our personal property tax system. What we need to do is wipe out the system that we currently have and go about the process of either reinstating a personal property tax system that is one that is viable, that does allow for specific classifications, in my estimation, they need to be in the Constitution in order to be protected, and then tax evenly, equitably within those classes of property. That is what we need to do. What we need to do is allow for those classes to then be dealt with in a very uniform way, not in the way that we do in LB 1, not in the way that we have done in our personal property tax system in the past, but on a very up front and informative way that we currently don't deal with personal