

SENATOR SCHMIT: If I may elaborate, my intention was this, to strike all of the exemptions with the exception of those that apply to the churches and the homestead exemption which we have applied here as a result of another constitutional amendment. Then, as I said before the committee, let all of those entities that have in the past historically been exempt come before the Revenue Committee and make the case as to why their exemption should be continued. Many of those exemptions are here today, Senator, strictly because they have convinced the Department of Revenue that they qualified as a nontaxable entity. I believe that is wrong. I believe it has greatly broadened the original intent of the Constitution. I think it is time the Legislature takes a look at this and let the Legislature provide for the exemptions.

SENATOR HEFNER: Okay, thank you. I don't believe that I can support this amendment to the amendment at the present time. I feel we should defeat this amendment and then go on with the committee amendment. And the reason I say this is because I think we need to find a short-term solution so that these local governments will not come up 30 to 32 million dollars short in this coming fiscal year, and that is what LB 1 with the committee amendment would do. And, Senator Schmit, mentioned the letters that I passed out from several county assessors, and I did this because they felt that they certainly needed some clarification, and so what we are doing, we are saying that we are reclassifying some of that real property, some of the personal property that will be classified into real property, and we feel that this will take care of the problem and offer a short-term solution. I am not saying that the Revenue Committee shouldn't get busy at the start of the next session and try to find a long-term solution. We certainly need this but, up to this point, we just haven't had the time to get that done.

PRESIDENT: Thank you. Senator Schmit, there is one other light after you so this will not be your closing.

SENATOR SCHMIT: Thank you, Senator. Senator Hefner, you have been a member of the Revenue Committee for 13 years, I believe. I have been here longer than that. I believe it would be accurate to say that each year since you have been a member of that committee we have had a short-term solution to an immediate problem, a short-term solution to a crisis. Each time we have looked for a quick fix. We looked for a 90-day solution. Each