

CLERK: Mr. President, Senator Elmer would move to amend the bill.

PRESIDENT: Thank you. Senator Owen Elmer, please.

SENATOR ELMER: Thank you, Mr. President and members. As all of you are aware, I've been working on this personal property tax problem for several months and you have all received correspondence from me relative to what this proposal would do.

PRESIDENT: Senator Owen Elmer, may I interrupt you a second. Could you talk more directly into your...it's difficult to hear you. Thank you.

SENATOR ELMER: Thank you, Mr. President. We're all here because we recognize that the local subdivisions are suffering and bleeding through the exemptions and the attack we have received because of those exemptions. And through actions by our past legislatures, but granted exemptions from property tax liabilities to various interests, we face the probable loss of most, if not all, of the personal property tax base relied on to support local government and schools as well as the possible assault on real property tax on the same basis of discrimination and nonuniformity due to exemptions granted to nonprofit and other organizations and individuals. We have, through our past actions, made our 60-day, 1990 session the one which must address the problem of school finance. We are looking to LB 611 as a very possible and viable method to secure property tax relief for our citizens through support from income tax. The School Finance Commission has presented a very workable plan. I would suggest to you that any progress toward these goals of property tax relief is in a state of disarray due to the railroad and pipeline decisions. And further, that any progress in school tax reform is dependent on how we resolve this issue at this time in this special session. If all these issues would be resolved with any solid, logical policy, we need to show the leadership our constituents expect. The only avenue to establish state tax policy is through this Legislature and its leadership. I feel that reinstatement of personal property tax is not viable which leaves the alternative of removing personal property tax from the tax rolls in its entirety, as Senator Schmit described in his earlier amendment to the committee amendments. I would suggest to you for this consideration my amendment which would eliminate personal property as a taxable base and redefine real property on the basis of what I am