

or not, under our judicial system, we're really going to be able to stop the rest of the exemptions from occurring. I really wonder whether the court is not just going to say, well, all you've done is have another case of exemption, built on other exemptions. And the real basis of the problem is that three-quarters of the personal property in this state are exempted. The other quarter of the people are saying why should we pay when three-quarters of us don't have to pay. And it's on that basis, I think, they continue to have standing to have their exemptions upheld, to have their taxes thrown out. And so I know maybe, Senator Warner, you can address that. But based on my fundamental just understanding of where we're at it would seem that we still have a problem here, even with the passage of this bill to stop the further hemorrhaging of our personal property taxes. So, number one, to prevent the loss of revenue I still question whether that will be accomplished. Number two, on the good tax policy issue, I don't think anybody has argued this is good tax policy to provide for this exemption. I know Senator Schmit has passed around a handout that indicates he had the same bill and in the last session it was unanimously defeated. It was opposed by the Tax Commissioner, the League of Municipalities, the school boards, same people that are now supporting this measure. What was bad tax policy six months ago is now good tax policy today. Now all that changed was we had a court ruling that obviously put us in some concern. My point is this, I don't think, can be argued as good tax policy. And, if it isn't good tax policy, the way I think we should have approached it was with a sunset clause, as Senator Hall and Senator Ashford and others, including myself, indicated, that if it's not good tax policy in its attempt to solve the problem on a short-term basis, then it should be a short-term effort, not an ongoing exemption. That is my second concern. So, for those two reasons, that I don't think it will stop the revenue loss, it seems to me; and, number two, that we're putting in statute, for as long as I can see, an exemption that I don't think is necessarily good tax policy. I plan to oppose the bill.

PRESIDENT: Thank you. Senator Warner, please, followed by Senator Haberman, and then Senator Ashford.

SENATOR WARNER: Again, Mr. President, the concept in LB 7 is based upon the fact that our existing statutes include, among taxable property, that portion of the railroads which, under the 4-R Act, cannot be taxed by the state. What LB 7 does, doesn't exempt anything. What it does is make the statute consistent