

Amendment 4, LB 271, both of which were passed after the Kearney-Board of Equalization case. They, in 1987, led to the Banner County-State Board of Equalization where the court struck down both Amendment 4 and LB 271, and the court, in that case, said, "Since the uniformity clause was not repealed, the Legislature can divide the class of tangible property into different classifications, but these classifications remain subdivisions of the overall class of 'all tangible property,' and there must be a correlation between them to show uniformity. Such a correlation is made by evidence that all tangible property has been uniformly assessed. Since this issue is not presented, we do not undertake to determine whether a Nebraska constitutional amendment permitting land which produces incomes by other means would violate the U.S Constitution," and they refer then to the Sioux City Bridge case. That brought us to last session where we passed LR 2. LR 2 was basically an updated version of LR 4, and finally we come to the Enron case that was talked about by the court, they decided on it just this past summer, and the court in the Enron case said this. "As we have previously stated, it makes no difference if the undervaluation of the property of the railroad and car companies comes about because of deliberate action by the board," meaning the State Board of Equalization, "legislative enactment, or the final and binding judgment of the federal courts. The conclusion remains the same: The equal protection clause of the 14th amendment mandates that the same result be reached with respect to the personal property of Enron as that in the case of the railroad and car companies." What they said, basically, is very simple. They said that we cannot do what we are about to do in LB 7. We can do it. We are going to do it. We are going to pass it. The votes are there to pass it but you will have no impact whatsoever on our personal property tax system. Throughout debate we have expressed since the decision in this summer frustration with the fact that the courts have given us no direction. I would argue that this line specifically from the decision in the Enron case gives us perfect and very clear direction with regard to the courts and in regard to LB 7. All it says is that it makes no difference, it makes no difference if the undervaluation of the property of the railroad and car companies comes about because of deliberate action by the board, legislative enactment, or the final and binding judgment of the federal courts. The conclusion remains the same, that the equal protection clause of the 14 amendment mandates that the same result be reached with respect to the personal property of Enron as it is with the case of the car companies. Ladies and