

real estate. And as we struggle with a problem that Governor Nelson attempted to address several days ago, and which we are going to have to address on this floor, we must recognize that there are serious problems that are in existence out there today which are not being addressed. I know that I have real serious problems with this formula, and I know that we all have talked about an income formula for the assessment of ag land. We use that kind of formula on commercial buildings today. I am going to also ask our Research Department to try to find out just how close that formula comes in regard to the present commercial value of some of our commercial real estate in the cities, not just Omaha and Lincoln, but the first class cities, and second class cities of the State of Nebraska. It may well be that we have some problems there that need to be addressed also.

SPEAKER BAACK: One minute.

SENATOR SCHMIT: And by addressing those problems we may solve some of the problems that were discussed this morning as a result of Governor Nelson's proposal. Mayor Morgan, of Omaha, very correctly, I think, pointed out some of these dramatic increases that may occur in the taxes on residential housing in Omaha, if we take the Governor's proposal. It might well be that we would be better served to take a good look at much of the commercial construction in the City of Omaha and see where it is at. So let us not just isolate one small sector of real estate and try to address that problem. Let's address the entire issue as we proceed.

SPEAKER BAACK: Senator Kristensen.

SENATOR KRISTENSEN: Thank you, Mr. Speaker and members. Senator Hall, could I ask you a couple of questions, just to finish up?

SENATOR HALL: Yes.

SENATOR KRISTENSEN: Thank you. One of the other adjustments that you had were for risk. And Senator Lamb went through parcelization. Could you help me with risk, because that's not...that's one I'm not real sure about in terms of how that would apply, and what adjustments, and what guidance we may be giving to whoever makes the manual up, or whoever does those adjustments. What are the parameters of risk, and what do you envision, what is the intent of the amendment?