

of property have been questionable. A 20 percent gap, though, is on the narrow side, probably, of that historical gap. On the other hand, the system that we bring to you, I think, has, as one of its chief values, the ability for both the Legislature and the Department of Revenue to treat this as a system, to make statewide appraisal methods available, to give counties the ability to make adjustments, but not to defeat the statewide method of appraisal for agricultural land and, if necessary, our ability to change the risk in parcelization adjustment factor, should we need to, to achieve greater equity, because equity is what this whole question, ultimately, comes down to. And most people think that equity is a single, objective concept. I, on the other hand, have come to see equity as very much a matter of perspective. Let me give you the clash of two ways of looking at what is equitable between a farmer and an urban homeowner. Throughout the history of this state there has been a difference in the treatment of agricultural land than all other types of land, whether we were allowed to, whether the Constitution permitted us to do so, whether the land manuals justified it or not, we did it, we've always done it, and LB 320 simply continues that pattern. But that pattern has provoked two kinds of looking at what is an equitable tax system. The farmer says, I've got two kids in school, I pay, per capita, \$6,000 in tax, \$8,000 in tax to send two kids to school. Guy in town has two kids in school, has got a house, his house is \$50,000 of valuation, he pays \$700 of tax to send his two kids to school. This system isn't just, it's not fair. I'm not being taxed on my ability to pay, I'm being taxed on holding a bunch of property, which may or may not make me any money, but I'm paying 10 times the amount of tax, per capita, for the same service and governmental service that my urban homeowner, colleague is paying compared to me. The urban homeowner says, wait a second, my property, whether it's \$50,000 or \$10 million, is valued at 100 percent of market value. We know from statistics that the farmland, of my farm neighbor, is valued at 70, maybe historically 75, under this bill 80 percent of market, that's not fair. In fact, his valuation should be 100 percent of market, if, in fact, it's going to be equitable. Two different ways of looking at equity. What's happened in amendment four and amendment one is this, that there's been sort of a settling of the dust that says, the historical gap by which we've tried to achieve a rough justice equity between those two ways of looking at the world, and how we've done it in the past is simply to lower the ag land valuations compared to market, so that the per capita impact is reduced, but nonetheless there is