

industries, it is going to put our small businesses at a disadvantage to our neighboring states, and we have quite a little border bleeding at the present time because Nebraska does charge sales tax on farm machinery. And so some of the farmers close to the borderline will purchase their machinery in other states. I know they are supposed to pay the use tax on it, but some of them don't. I realize this isn't a perfect solution, this constitutional amendment probably isn't a perfect one, but I think we need to keep talking on this and discuss it on the floor. We discussed it in committee many hours. And, Senator Wesely, I am certainly willing to work with you or any of the urban senators, but here in Nebraska things are going pretty good. Let's not disturb them too much. We have a very low unemployment rate. In fact, I believe we are at the...we are one of the nation's lowest unemployment rates. We are attracting new industries. Industries that are here are expanding. Cattle feeding is at an all-time high. I believe we are number one in the nation on that, or close to it, if we are not number one. But if we pass this, or if we let the people decide, or if we put the personal property back on the tax rolls, that means that there will be a personal property tax on each critter of approximately 12 to 16 dollars apiece, which will make our cattle feeders uncompetitive to our neighboring states' cattle feeders. How about our hog industry? There again we are near the top in the hog industry. Let's talk a little bit about the dairy industry. The dairy industry is going through very trying times at the present time. Milk prices are dropping, and I know that in northeast Nebraska some of the dairy people are struggling for existence. Also, it was mentioned about the \$1.2 billion in real estate taxes. Some of the legal people have told us that this still may be in jeopardy. I don't know, I hope it wouldn't be but that is what they tell us. We can assess real property fairly well and fairly honest, but when you start assessing personal property,...

SPEAKER BAACK: One minute.

SENATOR HEFNER: ...you have a problem, like how many cows do you know is out there? How much farm machinery is out there? How much business inventory? It is a tremendous job. We heard this morning at a committee hearing that it would cost between 1 and 5 million dollars to do this, and not only that, but the honest guy pays through the nose, where the dishonest guy sometimes gets by with paying less. So I think we need to look