

November 11, 1992 LB 1, 6

Lincoln, who live on a fixed salary, who have built in wage increases from government to speak in terms of stability. Ladies and gentlemen, there is no stability in agriculture. We've watched the price of commodities drop, decline by 30 percent in the last few months, no stability whatsoever, declining income. Same thing is true in the livestock sector with a dramatic increase in cost. And what I'm saying is this, we have set the stage here for massive depression in the State of Nebraska in the agricultural sector. And this Legislature, by virtue of its tax policy, is major contributor to that. It is an abominable crime that those of us in the agricultural sector have not been able to sit down, and I have cooperated over the years with my urban colleagues many times over the years on various policies, but we have not been able to sit down and reach agreement. There has been a damn the torpedoes attitude on the part of certain entities, and if, in fact, we talk about the removal of personal property from the tax rolls then bear in mind that back in 1987 ConAgra had \$45 million worth of taxable personal property. At one time, with the passage of 775, it dropped to a million and a half. Then it got down to 479,000. Then I believe they bought a new aircraft and are back up to 4 million. So somewhere along the line ConAgra went from 100 percent taxed personal property to 99 percent exemptions, back up to about a 90 percent exemption, while agriculture on the average bought a 30 percent return of personal property to the tax rolls. Not something we can go back home and brag about, ladies and gentlemen, something we ought to be deeply concerned about. What is even worse is that while we have done this we have dug ourselves into what Senator Moore has just described as a quarter of a billion dollar hole, a hundred billion of which we propose to fix with LB 1, still leaving budget and revenue committees with a \$150 million problem. My proposal, LB 6, was viewed with some disdain. But ladies and gentlemen, and my good friends in the public employees sector who testified against the bill, when asked by one of the members of the budget committee what they would do if they were \$140 million overdrawn at the bank in a private business, if they would give their employees a wage raise,...

PRESIDENT MOUL: One minute.

SENATOR SCHMIT: ...the answer was no. The problem we face is this, there is going to have to be some massive adjustments. And either there's going to be no raises for employees, there's going to be complete change in attitude on the expenditure of