

The bill was read for the first time on January 17, referred to the Revenue Committee. It's reported to General File with no committee amendments.

SPEAKER WITHEM PRESIDING

SPEAKER WITHEM: Senator Warner.

SENATOR WARNER: Mr. President, I move that LB 499 be advanced to E & R Initial. What the bill does is two things. One is that currently for homestead exemption it is based on the valuation of January 1 which would be during the year in which you would apply for homestead exemption. This will change that date for the date of valuation would be September 1 of the current year which will follow the process that was now accompanied in LB 452 in the change of the calendar enabling people's valuation to be for the year that they are applying to be consistent with the amount of valuation that they have. A second change is that when LB 902 was enacted last year you will recall it had one provision that limited the reimbursement at the local government for homestead exemption as a percent of what their assessed value was to their sales assessment ratio requiring it to be 100 percent and what the bill does is adjust that 100 percent down to the same percentages range, within the range as was approved or used by the State Board of Equalization. As I recall, last year that ran from 88 to 100 percent I believe. But anyway, the effect of it is to fully reimburse local governments for the amount of a homestead exemption that has been provided for in those counties and all governmental subdivisions then are fully reimbursed for that property tax loss that they otherwise would have had without homestead exemption. I'd ask the bill be advanced.

SPEAKER WITHEM: Senator Witek, for discussion.

SENATOR WITEK: Mr. Speaker, members of the Legislature, Senator Warner, considering all the trouble I got in with the last vote I had on the homestead exemption, I wanted to ask a few questions on this one. You're changing the date and you're also changing the average residential value for purposes of the homestead amount. Because of the change in valuation that Douglas County and some other counties have gone through, the tremendous change in valuation, if we're now telling them they can't use the prior year, they have to use this year, where we have that huge increase in valuation, will this result in fewer