

municipalities. As we currently have different steps on the levy limits for cities, my proposal would limit Omaha and Lincoln to 45 cents per \$100 of valuation, plus the 5 cents for interlocal agreements. Cities of the first class would be 60 cents per \$100 of valuation, plus 5 cents for interlocal agreements. Cities of the second class and villages would be 75 cents per \$100 of valuation, plus 5 cents for interlocal agreements. The amendment significantly lowers the existing levy limits of 87.5 cents and \$1.05 for those first class cities, villages, and towns, but retains the distinction among the various classes of municipalities. I think that's been good public policy and I think we should retain, we should retain that. This amendment would lessen the effect on smaller communities, who are generally hurt the most by the levy reduction. They are also generally more reliant on property taxes. The change will reduce the reliance on state aid, and this is important I believe in the potential...in light of the potential that state funds, because of federal actions, because of other burdens that will be placed upon the state, might not be as available in the future as what they are now, as limited even as they are now. Property taxes are a steady reliable source of revenue for funding basic municipal services. I think a lot of times many of the services that the communities provide at the local level are unfortunately taken for granted; good streets, water systems, electric utility systems, solid waste management, police and fire protection, parks, recreation, those things that provide a measure of quality of life to our communities, planning and zoning, housing. And others that have served in local government could add to the list and you could...you could go on. Suffice it to say that many villages and towns, small communities, provide a wide range, as wide a range of services, as the other political subdivisions. Now I recognize that one of the reasons behind bringing the levy down on all municipalities to 45 cents is because of the local option municipal sales tax that many of the larger communities have exercised. In that extent, quite frankly, this doesn't affect the largest community in my district because their current levy is about 32 cents, albeit because of the sales tax. However, many of the smaller communities don't have that ability, don't have the sales tax base to provide the type of relief that some of the larger communities can. And so what I'm saying is that the plan that we go to needs to be workable. It needs to allow, especially those smaller communities, the ability to make the necessary adjustments to bring their levies down, to go from the