

nature, applying to all homeowners throughout the state. The cap in state spending would continue until a 50,000 dollar homestead exemption level is achieved. At that point, the 2 percent would be lifted on state spending and a 50,000 dollar homestead exemption would be built into Nebraska's tax scheme. Present homestead exemptions would continue, but it would not be cumulative. Eventually, much of the current homestead exemptions would be consumed as the universal homestead exemption reaches 50,000 dollars. The benefits of this idea are many. It would provide substantial property tax relief to all homeowners. To homeowners whose homes are modest, obviously, the exemption would be more substantial in regards to a percentage of the value of their home. There would be no tax increase associated with this measure. There'd be no loss of local control among the political subdivisions. There would be no power shifting from your local subdivisions to Lincoln. This would also lessen the need for what some claim are to be devastating cuts at the local level. This would promote homeownership by lessening the economic motivation to rent. In turn, this would rejuvenate our inner cities and depressed neighborhoods by increasing the demand for single-family dwellings, as well as lessening the tendency to rent out such single-family dwellings. Ultimately, this would do much to strengthen neighborhoods. There are a few problems with this idea. Number one, this does not address property tax relief for the 3.4 percent of our state's population who engage in farming and ranching. Two, there is not a mechanism to guarantee accurate home appraisals. And three, although this amendment would be established with no tax increase but rather obligating the state's natural increases beyond 2 percent, it does put the state in a rather constrained position to respond to potential federal budget cuts or other new federalism initiatives that would force the state to obligate greater amounts of money in administering the current federal programs and partnerships. I filed this amendment for the following reasons: number one, we are addressing the property tax issue in Nebraska because Nebraskans demand property tax relief. I wanted to demonstrate to the people of Nebraska that this package we are debating now is the beginning, at least for me, and not the end of our efforts to address the high property tax burden as it affects all Nebraskans. Mr. Speaker, could I have a gavel?

SPEAKER WITHEM: (Gavel.) Members, could you keep your conversations down? Particularly those in the center aisle