

April 2, 1996

LB 1114  
LR 206

That's what homestead exemption is about. By the way, you could say this is an issue of the state budget as well 'cause as you increase those levies you increase the reimbursement from homestead exemption, which increases the state appropriations. So the state has something at stake that these entities try to find ways to be more cost-effective where they can be. It would seem to me that once you put the levies higher, as proposed here, then you begin to lose one of the incentives and then perhaps even in a significant way you start to lose one of the incentives in order to find cooperative programs where those levies could be reduced. There's been reference made to the bonded indebtedness, which is an exception. The numbers that were used that were handed out was from the certificate of taxis (sic) levied...taxes levied. It was not an estimate. I think 35 of the cities were actually checked specifically, and a bill that Senator Hartnett had, Urban Affairs Committee had a few days ago which required the separation of those bond and operating levies in the future will make it much easier to determine. But, in any event, the numbers that are used I think are probably as accurate as can be found. Senator Hartnett indicated also, you know, this is two years off. We have the study resolution and it has the same, LR 206 concept in it, same committees involved and is it (sic) anticipated that obviously as this progresses along, as we have...was provided in a earlier amendment with the various councils working together, finding ways that they may initiate some cost saving ways of providing local services, that we're going to have amendments, suggestions as we meet in '97 and '98, or at least those of you who are here, and all of these kinds of issues then can be addressed with a factual situation. But the thing that think is most important is that people need to first not look for ways to have a higher levy or maintain the higher levy, but first look for ways that those costs can be restricted or, hopefully, even reduced. And as you up those levies you lose that incentive. Obviously, it's not likely under the process that's in the amendment now where 15 percent of the people has to petition to request an election for a lower vote. It's not likely that they're going to know that they could have a lower levy if some cooperative programs were done, because there's no incentive to even go out and look for them. I would urge that you not adopt the amendment, that you keep the process that is in the bill. It does have the escape clause. It's two years off but it does have the escape clause...