

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

April 24, 2003 LB 759

know, yesterday you could have heard nothing truer than the two statements that Senator Chambers made. One of them was, we're headed for a train wreck. Well, you know, one person's train wreck is another person's controlled collision. There are all kinds of ways of describing what we're going to have to do. But I think the one thing that is...if we had a chance to have a train wreck today or a train wreck many days hence...make it an automobile accident, whatever else, most of us would choose to put it off. I recommend we put it off, because budget deals, in my experience here...there are others with more experience. But budget deals, in my experience, are not made when we have 22 days left. They're made when the time is beginning to run out, because that requires everybody to make the tough choices and to work together in putting the whole package together. I'll use that same justification with regard to this concept, because I believe that we want this \$50 million potential savings on the table. This amendment presents the property tax package portion of what I've dubbed the people's revenue plan. I ask you to pay close attention, so that we can consider its component parts. There are three major component parts. First, it would return the maximum property tax levy for school systems from \$1.00 to \$1.10. Second, it would adopt a \$5,000 general homestead exemption. And third, it would adopt a \$1,000 refundable income tax credit for certain property taxes paid on agricultural land by a farmer or rancher who owns and actively farms or ranches that land. The net result of the package is intended to provide significant savings, in my round numbers, \$50 million, while providing more property tax relief to those who need the property tax relief the most. Some would argue everybody needs it. But I'm going to get to trying to delineate how it benefits those who need it the most, in my opinion. I have to provide some background. We have to look back at the levy limit history. There's a tendency, I think, to believe that the \$1.00 levy limit was set in stone and actually it was a long time ago. And that's simply not the fact. Levy limits weren't originally adopted until 1996, as a part of a property tax relief program put forth by the late Senator Warner. At that time, the levy limit for school systems was set at \$1.10. But the bill provided the limit would fall to \$1.00 in 2001. During the intervening period, we amended the state aid formula and the certification process, so that the full cost of the reduction in