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FLOOR DEBATE

April 24, 2003      LB 759

SENATOR CUDABACK:      Senator Brashear, you're recognized to open on AM1477.

SENATOR BRASHEAR:      Mr. President, members of the body, colleagues, I admit this is a technique. This amendment to the amendment gives me an opportunity to open for ten more minutes. This is the severability clause. I have talked with Senator Janssen about it. I believe he does not have an objection to it. But he will speak to it for himself. I'm offering the severability clause because I believe it is necessary, given the adoption of the Janssen amendment yesterday with regard to taxing casino advertising. I'm simply trying to provide a safeguard, as Ray and I discussed it, a safeguard against any challenge of that which would take down the whole bill. You all know how a severability clause operates. If one portion of the bill...if this were to go all the way to Final Reading with your approval, if one portion of the bill were found to be unconstitutional, it would separate out that section, and all others would, that were constitutional, would remain. I'm offering that severability clause now. I'm explaining that briefly. And I'm going to go on with the explanation of the amendment to the bill, if I may. I need to trace our property tax history, I think, to try and be helpful to this debate. I'd ask you to consider the red handout. If you don't have one, we'll get you another one. Let's look at the history. We are in the midst of an era of low interest rates and a generally strong housing market. This has resulted in residential property valuations rising at a fairly consistent rate. During this same period, commercial property has not kept pace to the same extent. In addition, a series of court decisions and related policy choices narrowed the extent to which commercial property is subject to property tax. At the same time, agricultural income has fluctuated greatly and has been on a generally downward trend. And at the end of the day, the net result of all that...of all of that, is that residential property taxes made up 31 percent of the property tax burden in 1972, and they make up 49 percent of the property tax burden today; 31 percent in 1972 has increased to 49 percent of the property tax burden today. Then reconsider that history in light of a \$1.00 levy limit that costs \$100 million per year,