

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

March 22, 2006

LB 968

to get it done. So what we're trying to do is bring something a little bit more into balance. Now last year, because the valuation was going up, we used about 18...\$17 million to \$18 million less went to state aid to schools, because the valuation went up. That was one of the things that happened when we had a set levy. As soon as you have a set levy, that it's going to...you take the needs, minus the local effort, and that equals state aid. So if you set the levy and the valuation goes up, that makes more local effort, less money goes from state aid. Last year, about \$17 million to \$18 million less was needed for state aid. From the 80 to 75, it's only going to cost about \$11 million in state aid. It's...and I've been telling everybody, you're not going to see a reduction in your property taxes on your land, but you're probably not going to see it go up as much as it would. Now, it looks like...I've been told that the valuation next year is going to increase about 5 to 8 percent. Here we go. That's going to eat up every bit of it. But still, it would be less than what it was, and brings it a little bit more into balance. It's not much, but it's still...we're thankful for small things. And so this is what's happening on this.

SENATOR BAKER: One minute.

SENATOR KREMER: The average...in my county, the average farmer...now, that's about 600 acres. Now, that average, that includes every farm that's 50 acres or more, that's probably not even the average size. The more typical size of a farm...the average farm paid \$14,000 property tax on the land alone. We're not talking about the house and everything else. And it didn't make any difference if you made a profit or not; you paid that much. The typical farm would have probably paid more in the area of \$20,000, \$25,000, \$30,000. Now, if anybody else out here had to pay 30 percent of their net income in property tax, we would do something about it real quickly. And I was...the committee, when we introduced the bill, there was no opposition. We had the...several people from even the counties. We know it does affect the counties. There's only about four counties that are not up against their levy, and it's going to have a little effect on them. And that, unfortunately, we don't like that, but it does. So it's going to affect some of the revenue that