

March 6, 1975

CLERK: Mr. President, I move we reconsider our action on LB 98. Signed, Senator Frank Lewis.

SENATOR F. LEWIS: Mr. Chairman, I ask for the reconsideration of this bill which I think does some things that many of us are concerned about doing in terms of blighted areas. It applies to residential homes. I think it's a program that works. I think it's a program that is important. It was with extreme regret that I was not here on Monday or Tuesday to vote on this most important issue, to see that it's taken before the people for a vote. I would simply ask the members of the Legislature, without lengthy debate, to reconsider the bill and put this before the people along with 260, to provide some necessary relief and some necessary help in terms of taxation for those people who make a commitment to rejuvenate and rebuild their homes in the blighted areas of this state.

PRESIDENT: Senator Warner.

SENATOR WARNER: Mr. President, I rise to oppose. Very briefly again, I have no argument with the merits, or the goal, that is attempted to be promoted by this bill and to encourage the improvement of blighted residential, single family residents. I would point out to you in the process, at least it would appear to me that, two or three things are being done which I think you would not want to do. One is the individual who keeps his property up on a regular basis, and in most cases an owner occupied home has pride to do that is being discriminated against because his value is going to be increased and reflect his willingness to keep his home up. We frequently hear from citizens that they feel they are being penalized because if they improve their property the result is they pay higher taxes. This bill does nothing to assist them, in fact it may even put a bigger load on them. Secondly, it seems to me that since this is not restricted to owner-occupied but also to rental property that the net effect is to, in some instances, encourage a landlord not to improve his property in order to take advantage of the tax break he could get by allowing it to become blighted. Now that may take, if it has to be by area it would be more difficult. It seems to me that is a possible thing to occur. Again, it seems to me, finally you're electing certain kinds of property that may need help, but there also is a great other deal of property that is suffering from the burden of property tax, including single family housing who will see no benefit. Finally, to try and accomplish a social goal through a tax system will lead inevitably to abuses other than what was intended, no matter how laudible the overall purpose was.

PRESIDENT: Senator Cavanaugh.

SENATOR CAVANAUGH: Mr. President, I would support Senator Lewis' motion. As you know this received two votes on Final Reading, one with 29 and one with 30, or one with 29 the other with 28 the other day. It's somewhat of a companion bill to LB 260, although it's directed to the single family dwelling home in a blighted area. The arguments that Senator