

PRESIDENT: The Chair recognizes Senator Warner.

SENATOR WARNER: Mr. President, members of the Legislature, I move that LB 187 be advanced to E & R Initial. LB 187 is legislation that you have seen before which changes the current procedure of mill levies, a maximum authorized mill levy, for various governmental subdivisions for various purposes from mill levies to cents per hundred dollars of actual value. To equate the similarity between the two, one cent per hundred dollars of actual value is the same as...correction, one mill times 35% of actual value is the equivalent of three and a half cents per hundred dollars of actual value but the reason for the bill, as I have stated before, is simply to simplify the property tax system so that citizens can more easily understand how the amount of dollars that they are going to be paying in taxes is determined. It seems to me that mill levies as such is an extra calculation. It adds a certain amount of confusion in trying to make the calculation. It actually is an additional calculation because valuations are determined initially on the basis of the actual value as defined by law, and to take that and come up with an assessed value at a lower figure actually is an additional calculation. I should point out that the bill has an implementation date as written of 1984 and the reason for that, at the time it was originally put in, I was trying to anticipate when all the problems of equalization might be resolved. I do not have an amendment to offer this morning but I am sure that that date should be backed up probably to January 1 of 1981 but I am holding it a little while and would ask to hold the bill, if it is advanced, when it gets over to Select File, so that that implementation date can be consistent with whatever the time is that we project that all of the problems of equalization between counties and so forth have been or appear to be resolved. And, again, the reason for that is so that any adjustments that do occur, whether it is in valuation or the procedure for assessing taxes, that it is done at one time and not at two different times and creates some misunderstanding. For background, from 1858 to 1903, the state was at one hundred percent of value with so much authorized in terms of cents per hundred dollars. In fact, if you look at the Constitution which it has the only reference to limitations on property taxes dealing with counties, as you know that is stated in fifty cents per hundred dollars of actual value which equates into 14.28 mills but the concept has been with the state from the beginning. Some nineteen states at least use that basis for determining taxes, as the procedure for which taxes are to be collected. Again, historically, from 1903 to 1920, we were at twenty percent and then from 1921 through 1952 we were