

March 20, 1980

LB 627

SENATOR HOAGLAND: Mr. Speaker and colleagues, I am also rising to oppose the Burrows' amendment and I want to make a couple of points that have not yet been made here this afternoon. Senator Koch is very articulate in describing the educational ramifications of a lid of this sort that is on for more than a one year period but in addition to the education issue there is a tax issue and I think we all know here in this body that one of the principal underlying issues is a tax issue and we ought to talk about that a little bit. Now I sympathize with the concerns of the people in Douglas County who collected signatures for this lid and the people in Otoe County who collected signatures for a lid in Nebraska City, and I sympathize with the concerns of the voters in the Omaha public school system and in Nebraska City that impose this lid. I know the taxes on my wife's and my home in Omaha has gone up 60% in the last year and I think the people that collected signatures and the people who voted for that lid were voting in the public interests and I know were voting in what they thought was the public interest and I don't fault them for that but I think that they are pointing their guns at the wrong target. I think they are responding to the crushing burden of property taxes that all of us are feeling in the State of Nebraska particularly in Douglas County where property taxes now are 2.6% of actual value. Now national authorities tell us that when property taxes exceed 1.5% of actual value we are inviting tax revolt and we are fueling the flames of a tax revolt and due to decisions that we made here in the Nebraska Legislature over the years property taxes in Douglas County are now 2.6% of actual value and I don't blame the people of Douglas County who choose convenient targets to escape the crushing burden of property taxes, but it is exceedingly essential to emphasize and I know that we here in the Nebraska Legislature understand that it is not the fault of the Omaha public school system that property taxes are so high and it is not the fault of the children in Omaha who are going to the public school system that the property taxes are so high. It is the fault of this Legislature and decisions we have made here in the last ten years and I think that what these lid petition drives are telling us in clear terms is that we have an obligation this session to bring about fundamental property tax reform to shift the burden off the shoulders of the property tax payer and onto state income and sales tax revenue sources. Now I won't trace the history of how property taxes have gotten so high. We have talked about LB 518 that passed in 1977 on this floor before and we are going to talk about it again before this session is over, but LB 518 represented property tax relief for a narrow few

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