

March 27, 1980

LB 647

my bill as originally introduced with a \$40,000 valuation increase it would be \$31,000,000.

SENATOR COPE: And that is...and that is 2.8 higher than what it is at the present time?

SENATOR LABEDZ: That is correct.

SENATOR COPE: Okay, thank you.

SPEAKER MARVEL: Senator Newell. We are speaking at the moment to the committee....

SENATOR NEWELL: Committee amendments.

SPEAKER MARVEL: ...amendments, yes.

SENATOR NEWELL: Yes. Well, Mr. President and members of the body, I am going to vote against the committee amendments because they cost too much, because we put them together rather hastily towards the end of the session. But I would like to speak to Senator Labeledz's hypothetical situation which doesn't exist and is not a problem, and explain that not only for Senator Labeledz's edification for the second or third time but for the edification of the body. But first of all, Senator Labeledz, as you well know, and I have explained to you before, the situation is simply this, that if you are going to have these kinds of arrangements where there are a number of people in the household on income and so forth, you have to set up formal or informal, but at least a bookwork situation under where you categorize the income, and your concerns are not only overblown, overstated, but incorrect, and I think that that should be set for the record. The situation is simply this, that the allomied income approach is one in which you are trying to deal with the loopholes that are presently in the homestead exemption plan. Well what has gone on with the homestead exemption heretofore is that the exemption, the criteria for disqualification in order for us not to make this an unbelievably expensive project, the qualification for disqualifications are simply based on the value of the home and then secondarily some income qualifications. And with the circuit breaker type of approach what you are trying to do is put in some other qualifications so that you target in on need, the need of the individual. Now to take this hypothetical situation as Senator Labeledz brought up, the hypothetical situation could simply be this, that you have a large house with six bedrooms and you decide to rent out those bedrooms, but it is, in fact, your house. Now let's say this house is in an older