

because the rural real estate valuation goes down I believe in Butler County by about 8 percent. I am concerned what impact that will have upon Brainard, Dwight, David City, Rising City, those small communities. I am sure it will be a rather exorbitant increase in the taxes they pay and I am sure that is going to be very difficult to explain to some of those people. You have made a valiant effort in this bill and I commend you for it. I really now understand fully the ramifications of the Supreme Court because I was on the receiving end of that personal property tax decision which I didn't exactly enjoy but I recognize the court has some interest in this. There is one point I want to make here and it has been made earlier but I want to make it again for the record and that is that the bench mark which has been established is, in fact, in my opinion, the high level bench mark of the early eighties. It does not take in...into account the precipitous drastic dramatic decline in real estate values from 1980-81 to '84. The furor that was caused by the proposed adoption of a new manual which would have increased and accelerated real estate prices even greater I believe precipitated the entire Amendment 4 crisis. You will recall that I had a constitutional amendment during the '84 session to allow for the valuation of farmland at something other than the present or actual value method to be determined by market value, but by the time the special session came around, I also had gone on record as saying that because of the dramatic decline in the farmland values, we did not need a special session, and if, in fact, we were to go to a market value system today, I believe we all know that farmland would be valued for actual purposes at less today than it is on most assessors' books. I think, now there is another factor that concerns me and that is the local county assessor has virtually no authority anymore in the process.

SPEAKER NICHOL: One minute.

SENATOR SCHMIT: The second thing that concerns me is the appeal process doesn't really leave the landowner much to appeal. It has been pretty well laid out there and the appeal process is very limited. In conclusion I want to say this, we are dealing with averages across the board, and averages tend to be misleading, and there are some tremendous disparities between school districts, between taxing districts, and between farms, and between communities. Those disparities in some cases are going to