

county would not be a product of the inflationary increase of the valuation. Those figures are then provided to local subdivisions and local subdivisions will simply reduce their mill levies proportionately to that valuation increase so that they receive constant dollars notwithstanding the valuation increase. The basic purpose behind both the committee amendment and the bill is to inhibit if not prohibit what I call creeping inflation in property taxes. It is simply designed. It is a hold harmless to the property taxpayer provision which simply says revenues at least will be held at a constant level notwithstanding valuation increases. Now as you will note further in the committee amendment, it goes on to say that nothing in this act shall be construed to prohibit an increase in property taxes levied if such increase is due to a budget increase, if it is due to a budget increase, but just simply says that the levy will be reduced proportionately to any valuation increases that themselves are products of revaluation. That is the basic gist. The committee amendment is effectively a technical amendment to carry the substance of the bill and I would offer the committee amendment.

SPEAKER NICHOL: Senator Withem on the committee amendments.

SENATOR WITHEM: Mr. President and members of the body, I merely rise to support the committee amendments and the concept that Senator Abboud is bringing to us. The whole process of revaluation every two years, three years, whenever we choose to do that up in the Douglas County area, I know Senator Johnson was making some reaction, so whenever we choose to do that, I know we are supposed to do it quite frequently, but in practice it tends to get put back year after year, but when it is done, there is a considerable increase in valuation. Many individuals have concerns about their individual property. It becomes a very hot sort of political issue. I recognize all of that. As I understand this bill, it doesn't deal with that process of individual revaluation but what does tend to happen is that the overall valuation of a school district, of a city council, of a county tends to go up considerably merely because of the revaluation. The inflation has caused the property values to go up. At least that tends to happen in the urban areas. I know in the rural areas the reverse may be the case but in the urban areas that happens. There is a great temptation I think by those who sit on school boards, city councils, and county boards to use that...now I am being told I am