

of the increase of valuation that we have gone through in the last ten years. Now in LB 1256 there are three changes that are going to be made. Hopefully those are the only changes that will come out of the committee and the first one is to require that all applicants for the elderly exemption to be at least 65 or older on January 1st to be eligible for the homestead exemption for that year. I totally support that because the way it stands now, if you're 65 say in November or December, you are granted the homestead exemption for that entire year even though you have been only 65 for a couple months. So you would have to be 65 on January 1st and be qualified according to the income limitation in order to be granted the homestead exemption. The cost saving, if we adopt that proposal, would be 714,000. The second proposal would add income limitations for the disabled categories. I, too, agree with that. The way it stands now, and many of you were told, Governor Kerrey would even be eligible for the homestead exemption because there is no income limitation. If we adopt that proposal, it will save \$1,750,000. I believe that is absolutely necessary. There are times when one of the family may be totally disabled but the other is probably working, making 20, 25, 30 thousand dollars, they can afford to pay the property tax. That would save, as I said, \$1,750,000. The third one may be a little controversial because of the fact that it is in the bill that the counties will pay 10 percent and the state will pay 90 percent. Now, 10 percent of the homestead exemption, I know, will probably hurt Douglas County more than any county in the state because we have more elderly and disabled and veterans on the homestead exemption than any other county. But it will save the state 3,314,000. So, all total, that would go over the 5 million mark. Now, I know the Governor has also asked us, as Senator Johnson and DeCamp explained, that we should sustain his veto and at the same time vote for LB 1256 if and when it reaches the floor. I am concerned though that if LB 1256 reaches the floor, there may be additional changes and I am sure that we will have to divide the question on anything that they bring out onto the floor on LB 1256. I am going to override the Governor's veto. I know that he said he would fund it...

PRESIDENT: One minute.

SENATOR LABEDZ: ...for 5 billion in another bill but you try telling that to an 80-year-old woman or an 80-year-old