

representatives to have the foresight to solve these problems before they occur, and one big problem that is staring us in our face, and it has been staring us in the face the three years that I have been down here, is the problem of the tax burden that has been placed on the homeowners of this state. When people are down and looking for ways to cut back, they quit spending money, and as a result, they are less burdened by government taxation in the form of sales tax. When people aren't earning as much, they pay less to the government in the form of income tax, but the one tax that they can't avoid or reduce is the property tax. No matter how tough the times are or no matter how little income they have, they still have to pay those property taxes on their home. It is the tax that is hitting the people of the state the hardest right now and is going to hit them even harder just before Christmas when they get their property tax bills because of their increased tax statements. Now it would be easy for us in the Legislature to sit back and say that, well, high property taxes aren't our problem. It has been the local elected officials that caused this problem. They are the ones who have increased your property taxes. Go talk to them. And we would be right if we did that but I think that is the wrong way to take the solution to this particular problem because we do have the opportunity to give the people a ray of hope by retaining the homestead exemption. We do have the opportunity to tell the homeowner that we do care about his property tax burden and want to do something about it. The high residential property taxes are a bad problem that have gotten worse. Property taxes have increased in this state phenomenally. They are currently...on the property tax rates, on a single family home in Nebraska are currently the fifth highest in the nation. Nebraska's effective rate in 1983 was 2.12 percent of the full market value. Now this is 62 percent above the national average of 1.31 percent, and even more dramatic are the property tax rates in Douglas County which in 1982 were 2.75 percent of the full market value which is substantially higher than any statewide average rate in this country and well over double the national average residential property tax rate. In recent years the State Legislature has made attempts to ease the property tax burdens. We have given property tax burden relief to those in the business sector as well as those in the agricultural sector with the enactment of tax increment financing and through the elimination of the personal property taxes. This has unfortunately resulted in a shift