

the planning and orderly development of newly populated areas in a manner that will allow people to live, work and thrive in surroundings which will not turn into the slums of tomorrow. The capital to plan, develop, build and maintain such population centers must be from private, not public, sources. This is so not only because of the great burden now being placed on public resources, but because it is the heart of our economic system, a system which we must encourage to tackle this problem or face a continuing cycle of decay in our urban areas.

There are those who take advantage of the preferential assessment, and of this we are all aware. It was not intended for those other than bona fide farmers, but no one can deny that the preferential treatment has been instrumental in allowing the development of new cities and planned communities within our state. Cities do not spring up overnight. Communities are not created in a matter of days. Sewage, water and educational facilities do not appear the moment land is rezoned. Roads and utilities equipment are not created as soon as land is sold for over seven times its assessed value.

The development of such communities requires vast capital outlays, years of planning, inventories of land and the adoption of master plans for zoning to provide for future land use compatible with the aims of a more orderly environment.

Government needs an even longer period than private investors to adequately provide the services and facilities essential to the success of orderly development. The financial commitment necessary cannot be made until the land is zoned and the planned use is imminent. The bill at one point included provisions which would have recognized the above problems and provided for their consideration. Unfortunately, these were not included in the bill as adopted.

If no preferential assessment is available to those interested in new cities and communities while the land is being held pending the completion of all necessary preliminary arrangements, in all likelihood the process of acquiring and holding land in large blocks will become so expensive that efforts in this direction will come to a standstill. But the lack of preferential treatment will not inhibit the speculator, who is interested only in having his improvements erected and then getting out with his profit. He can still survive, since he does not hold great acreage of land for years at a time. The result will be the worst kind of haphazard development devoid of the planning necessary for a large modern integrated community.

The problem is indeed a difficult one. There is no doubt in my mind that the Committee on Taxation and Fiscal Matters looked long and hard for a solution before settling on this bill. I am equally certain that the members of this Committee, as well as many other members of the Legislature, realize that this bill is not the complete answer to the problem. And until we have that answer, I feel strongly that a piecemeal attack will only create additional difficulties which will require further legislation.

There are alternatives which have been suggested. The Committee on Taxation and Fiscal Matters in its report of 1963 recommended a roll-back procedure which is more equitable in operation and deserves further study. That Committee also saw as an alternative a capital gains tax which was instituted as part of the tax reform program last year. Likewise, the Commission on Agricultural Land Preservation has recognized the defects in Senate Bill 1 and has made several suggestions worth con-