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LB 465

SENATOR CUDABACK: Senator Wickersham, Chairman of the Revenue Committee, you are recognized to open on LB 465.

SENATOR WICKERSHAM: Mr. President, members of the body, LB 465 is a bill that concerns a couple of different aspects of TERC activities. The bill, as it was introduced, had two primary functions. One was an outgrowth, well, both were outgrowths of prior discussions, actually, but the first part was authorization for TERC to appoint referees. The purpose of the referees in the TERC proceedings would be to meet with the parties, see whether or not they couldn't facilitate an agreement on the facts and issues that were going to be heard by the TERC, produce some stipulated settlement or resolution of the issue before you had to have a full-blown hearing. It was hoped that by giving that authority to TERC that they could reduce the number of cases that they were actually hearing and, in some respects, it was hoped that we could provide a friendly or an easier to use process than the full hearing process. We were hearing from a number of folks that the full hearing process was kind of intimidating, looked too much like a court proceeding. When taxpayers showed up without a lawyer, they were a little bit uncertain how to proceed. If the assessor or the other party showed up with a lawyer, they felt that they were at a disadvantage in those proceedings. We couldn't find any way to eliminate lawyers from the proceedings or to make the proceedings at the TERC any less court-like, because one of the functions is to produce a record that can be used on appeal. But we thought that perhaps by giving persons an option to go to a referee, have the referee sit down with the parties and try to work through the issues, that they might be able to find a resolution and then be able to go to TERC for an order based on their agreement, so with that hope that we could somehow make the process a little bit more friendly, a little bit easier to use, perhaps, than what the taxpayers and others were experiencing. The second part of the bill was an outright repeal of an existing section of statute, 77-1511. Parts of that statute have been on the books for a long time, since 1903. There have been various changes over the years. It deals with an area of the law that probably only lawyers are happy about discussing or even comfortable knowing about, and what has