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FLOOR DEBATE

January 30, 2002 LB 435

that I believe address concerns that have been raised in amendments filed to the bill. First, on page 2 of the amendment, you will see that we have added a definition of fair market lease rate. The original bill provided that the agricultural tenant would have the right to renew at...a lease at the fair market value of the lease. The amendment substitutes the better term, fair market lease rate, that defines that term. This revision was suggested by real estate appraisers consulted, who suggested that that was a more familiar term. Additionally, the definition then utilizes the procedural recommendations of the document "Appraisal of Real Estate" published by the American Appraisal Institution. LB 2487 (sic--AM2487) also addresses a concern raised by LB 435 Senator Beutler attempted to address in various amendments. As I mentioned, LB 435 provides that an agricultural tenant shall have first opportunity to purchase property. Senator Beutler had raised a legitimate issue that the bill could insert an element of uncertainty in property sales. When selling the property where there is any question that the property might meet the definition of railroad land under the bill, the quality of purchaser's title might be impaired if an agricultural tenant had not been given a right of first refusal or right to renew a lease. The amendment inserts a mechanism for removing any impairment of a quality title by providing that any agricultural tenant who believes that they have not been afforded a right of first refusal or a right to renew a lease shall be barred from making any subsequent claim to possession or title to the railroad land if the tenant fails to bring an action asserting his protections under LB 435 within six months after the sale of the property or termination of the lease. I would move for adoption of the amendment. Thank you.

**SPEAKER KRISTENSEN:** Debate on the amendment? Senator Brown, your light was on. I'm going to assume that that was left on from the previous debate. Senator Beutler.

**SENATOR BEUTLER:** Senator Kristensen, members of the Legislature, I want to take a little time talking about the bill again, but I think we will not be taking a whole lot of time this morning because of the nature of this particular accommodation. Let me say at the beginning that I would like to express my admiration for the manner in which Senator Dierks