

one commercial owner and the handwriting was on the wall. And the Supreme Court spoke and everybody saw it, what had happened and The Emperor's Clothes were recognized for what they were, that for years and years we were in violation of the Nebraska Constitution. All right, what happens? Do we have a new system that raises ag land values? Well, we scratched our heads and said, huh uh, we want to hold onto this older system of the rough justice notion. To do that we've got to change the Constitution. Amendment 4 was born, a special session, sent to the people, voted in overwhelmingly. Amendment 4 appears in this same section, and you'll find it, it's about, oh, two-thirds of the way down the page. It's the sentence that says, the Legislature may provide that agricultural land and horticultural land used solely for agricultural or horticultural purposes shall constitute a separate and distinct class of property for purposes of taxation. That's Amendment 4, adopted following the Kearney case, before we ever created a system to carry out the rule in the Kearney County case, the Kearney Convention Center case, rather. Before we ever had to live with the fire, we passed Amendment 4, thinking, we'll be able with this language to return to the old system. Amendment 4 passed, the Legislature came back into session, we created something called the income stream or the earnings capacity approach, it was LB 271. It was pursuant to that authority we thought we had amended the Constitution appropriately. The system was passed, a manual was sent out, ag valuations actually declined somewhat under that manual. The Supreme Court met again in the next stair step which is the Supreme Court response. It was the Banner County case. Even though neither side argued the issue, the court said, wait a second, let's take a look at Amendment 4. Well there it is in Article VIII. It doesn't repeal any language. The uniformity clause is there in sentence number two, here it is halfway down the page, both of those are in the Constitution, both of them must be true. The second sentence didn't repeal the first sentence. The first sentence is still in the books and we still have to follow it. Amendment 4, you can have a separate class but that class has to be uniform and proportionate. That first sentence in the Constitution, 100 years old almost, is still there and you can't ignore it. Therefore, to the extent that LB 271 yields numbers that don't comport with market value, it's not effective. Counties, state, you have to have ag land value at market value. Came back to the Legislature, we thought the court had not given us a fair shot, allowed us to argue the issue, that the court had not understood Amendment 4, that there were some theories that were