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changed the formula whereby we determine the fair rental value, we would not be receiving any kind of return relative to the actual value of that land because when DeCamp and I changed that formula in '74 we upped the income by eight or 10 times.

SENATOR DIERKS: I understand that, but would the...would the land, if we had kept it, be bringing us a better return than it does now having sold it?

SENATOR SCHMIT: As you well know, of course, land was very cheap back in the 1900s and so it did not bring much money. But the fact that the land has escalated in value today and we should not be debating the sale of the lands at this time, we should be debating the school...the in lieu of tax provision, but the amount of money receive today from the land is about 4 percent, which is consistent with all return on agricultural land. The return we receive from the Investment Officer is about 12 percent. To sell the lands today is a different, a totally different situation than the sale of the lands in the 1900s.

SENATOR DIERKS: Well, I understand, but I think that the point I'm trying to make is that the land returns money to school districts across the state, the land that was sold, the money that we receive from the fund that's held returns money to the school districts across the state. Is that right?

SENATOR SCHMIT: That's right.

SENATOR DIERKS: And the land that is currently owned by the school board...School Lands and Funds, that money is returned only to the school district with which the land is located. Right?

SENATOR SCHMIT: No, Senator, the land...the income from the land, there is a total of about \$17 million, I believe, this last year. There is about a million eight that went out for administration of the fund...

SENATOR DIERKS: Uh-huh.

SPEAKER BARRETT: One minute.

SENATOR SCHMIT: And there was 5.4 that was distributed to the schools alone and then there was about \$12 million, or 11 or