

April 5, 1989

LB 361

losing money but may be a \$50 million building or a bank which is earning money, are they to be valued differently even though both structures cost substantially the same? I have strong concerns about the use of such a kind of language. I think that the rental earnings is all right and I think that's fine, but I do not think that the income potential should be a factor and I would like to ask Senator Landis if he shares my concern on that or if he has visited with the individuals from the Cattlemen's Association about that particular item? For example, a farm which raises purebred livestock could conceivably be valued higher than a farm which raises ordinary commercial cattle. Is that your explanation of it or your understanding, Senator Landis?

PRESIDENT: Senator Landis, would you like to respond to that please?

SENATOR LANDIS: Please restate the question.

PRESIDENT: Senator Schmit, would you repeat the question, please.

SENATOR SCHMIT: Is the...are the words "income potential", do they reflect an ability on the part of the assessor to base their value of the farm on the income producing capacity of a farm, of a structure or a business? I like the rental earnings but I do not like income potential.

SENATOR LANDIS: I think I can shortcut your question here, Senator Schmit. I will accept the amendment. Let's strike "or income potential" If that's going to bring a meeting of the minds, Senator Schmit, let's strike those three words.

SENATOR SCHMIT: Thank you, Senator Landis, and, therefore, I will speak no more on that amendment. I think it does relieve my concerns somewhat. Thank you very much. I offer the amendment.

PRESIDENT: Thank you. Senator Hall, please, then Senator Hartnett.

SENATOR HALL: Thank you, Mr. President and members. I rise in support of Senator Landis's amendment along with the Schmit amendment. The issue is one that I think is appropriately brought to the bill. Senator Landis talks about allowing the