

April 5, 1989

LB 361

counties to have the authority to basically bring ag land back to the average value of other properties within the state. Senator Landis, would you yield to a question, if you would, please?

SENATOR LANDIS: Yes.

SENATOR HALL: David, when we had discussion of your other bill that dealt with the prevailing rates, so to speak...

SENATOR LANDIS: Right.

SENATOR HALL: ...there were examples of counties where in some cases the commercial or industrial property was valued over 100 percent.

SENATOR LANDIS: That is absolutely correct.

SENATOR HALL: So there is the potential danger there, so to speak, for...if it is a mandatory measure, I guess, that counties may very likely have to raise the ag land over and above the, what would be considered market? Is that a possibility? That's my...it's only a question. If we've taken care of that, fine, but...

SENATOR LANDIS: Sure. I'll tell you what I think the most likely scenario that would create difficulty would be and that is this. Commercial at 90, residential at 85, we have a manual number plus an adjustment number that comes in at 100 percent for ag land. Now I've got assessors out there who've got ag land at 100 percent and they can't change that number so to get correlation what do they do? They have to bump up residential and they have to bump up commercial and we start that process. What you ask about is absolutely true. There are counties out there with commercial properties at over 100 percent and that could be problematical as well. What I think in that situation you're going to have, however, is residential at 85, ag land at 100 and commercial at 104 or 105. That's within the range you could live with, but if you have both of those other numbers below 100 percent, you don't want to have to force them up and have a whole series of reappraisals.

SENATOR HALL: Clearly, and I agree with that. I just want to raise that concern. It is not an issue that is very prevalent in many counties at all, but it is just...it is out there.