

April 17, 1989

LB 84, 611  
LR 2

some of the value that is affixed to or assigned to the value of agricultural land is not necessarily of a good business sense as we would calculate a warehouse. We have property that has value by virtue of it being close to other property we already have. We have property that has an enhanced value by virtue of the fact that your father owned it, or it's a neighbor that had the land and you always wanted it, so, therefore, that market approach often reflects a value greater than what the real value of that property is by virtue of its ability to produce crops, at whatever that current market price is. So by having the income approach purely they know that that is going to produce a value that is somewhat less than what the market approach is going to be, because these kinds of forced inflation factors that go into the value of land basically is what got a lot of farmers into trouble in the late seventies and early eighties, because they were paying more for the land than what its income producing capability was, because they had these various emotional attachments. So this will, in effect, reduce that. But I think the obsession with doing it is creating a situation where we're making changes or putting in front of the people changes in the Constitution that ultimately is going to go back to my original statement is that they are going to shoot themselves in the foot. They want it, they're obsessed with it, I'm going to vote for it, but I did want to go on record so that I can go back and be a great big I told you so. Thank you.

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: Senator Hall.

SENATOR HALL: Mr. President, members, I am going to continue to vote not to advance LR 2CA. And I won't try to persuade anybody to vote different than how they've been voting in the past. But I think we've spent approximately two and a half hours this morning on this issue, and I think it's time well-spent. But it's time that we will continue to spend year after year, session after session, bill after bill until we address the issue of the overreliance on property taxes. It makes no difference if we value ag land at 150 percent of income, of market, of whatever, if you didn't rely on property taxes for such a great proportion of the cost of education, as we do presently. And I think the other bills that we've dealt with earlier this session, specifically LB 611 and LB 84, move us into the area of correcting that problem, at least alleviating some of the overreliance on property taxes. My opposition to