

SENATOR HABERMAN: (inaudible) on the bill now? No, we're to the bill.

PRESIDENT: Yes, we're now back on the bill. No further amendments are pending. Senator Lamb, please, followed by Senator Abboud and Senator Haberman.

SENATOR LAMB: Thank you, Mr. President and members. I'm pleased that Senator Warner withdrew his amendment, and I hope that he does not pursue it on Select File, because we'll have to circle the wagons, if that happens. Ranchers are under attack. But Senator Schmit has outlined, very accurately and in great detail, the history and the problems with state school lands. And I hope you were all listening. One other little item that he did not cover, and that is the method by which school lands are leased at this point. The system works something like this, you go down to the courthouse after you've been notified, in the local paper, that a certain tract of land will be...the lease is expiring and will be released. So you go down to the courthouse and they will tell you how much the lease will be for the ensuing year, but not for the years on down the line. If it's a seven year lease, you don't know what the rental is going to be on years two, three, four, five, six and seven. So then these people, these farmers or ranchers gather there and there is an auction, a bonus auction, a bonus auction. So that if the people that are interested in this tract...in leasing this tract of land are willing to pay more than the lease price now, then they will...and take a chance on what the rental rates will be down the line, then they can bid a bonus. So you may have a number of farmers or ranchers bidding a bonus on that land. Well, that causes a lot of dissension out in the country, a lot of dissension. It's quite a bit different from what most landlords do when they lease to other people. Ordinarily, if you have a good renter why you keep on and on leasing it to him, the price is negotiated from time to time. But you ordinarily do not get into this bonus bidding. This bonus bidding causes great dissension in the community. So I am standing here to support the bill as it has been amended by the committee amendments to sell the school lands. The school lands should be sold, and Senator Schmit has identified many of the advantages of selling the school lands. One of the main ones, so far as I'm concerned, is it will eliminate this argument over the in lieu of tax and how much it will be, and where do we go from here. The fact that most of the school land in the eastern half of the state has been sold is a factor, because if we sell the