

SENATOR WEHRBEIN: Yes, thank you, Mr. Speaker and members. I, too, want to endorse the committee amendments. During the fall and winter I struggled long and hard about the need or necessity of going to this approach, because I had originally hoped that we would be able to follow the true income approach in its pure form, at least, and perhaps only do the modification on the cap rate, the cap rate formula that we had been using in the previous bills, in the previous statutes. But as we came to study this more, it appeared that we were going to have to do something like we have done in this bill, and that is to use the modified or variable caps, but depending on the land. Especially considering the diversity of Nebraska's land, dry land, irrigated, and pasture land, and considering the cycles within the various commodities, especially considering the cattle cycle, which, obviously, affects pasture land, considering grain crops, which probably impacts more on dry land and irrigated land, it has seemed that the only fair way that we were really going to have...not only follow the income approach, but to have equity between the classes was to get into this variable cap rate. And so that's where we're at, and I endorse that. I fully expect that that may move over time, using appraisal techniques, as you will, I don't know whether to state on the floor, but we have had appraisers and others consulted in this issue, especially from the University of Nebraska Department of Ag Economics to get into this issue. And I find that across the state that many appraisers do use this as their background in determining appraisal levels. As I did some research on this, I found some of them came to me and said, well, we use as our background those in the University Department of Ag Economics as their source for using the cap rate for determining income to ag land. So I think we are using good, solid statistics in trying to arrive at this. We're going to be using accepted appraisals and accepted appraisal forms to arrive at the value in the farmland. And I think that there really is going to be no other way to do it, especially if you have it pass constitutional muster, as we have promised that we would do between the varying forms of...or various classes of farmland. So I endorse the committee amendments with the idea that I did have reservations about it earlier, but I've come to decide that there was not going to be any simpler way to do this. So I submit this for your consideration.

SPEAKER RAACK: Thank you, Senator Wehrbein. Senator Kristensen.