

closing. The question is the advancement of LB 386 to E & R Initial. All in favor vote aye, opposed no. Record, Mr. Clerk.

CLERK: 25 ayes, 0 nays, Madam President, on the advancement of LB 386.

SENATOR CROSBY: LB 386 advances. LB 452, Mr. Clerk.

CLERK: LB 452 introduced by the Revenue Committee. (Read title.) The bill was introduced on January 17 of this year, at that time referred to the Revenue Committee, advanced to General File. I have committee amendments pending by the Revenue Committee.

SENATOR CROSBY: Senator Warner, on the committee amendments.

SENATOR WARNER: Madam President and members of the Legislature, this bill is not an insignificant piece of legislation. It makes probably a major change. The bill, as a whole, has the purpose of providing a mechanism in the assessing of property that when the State Board of Equalization equalizes, we know they do in August, and if a class of property is increased or decreased but particularly if it's increased, there is no mechanism under which the individual property owner can protest that valuation, to ask that it be reviewed. At the Board of Equalization meetings last summer I attended, there was... been a consultant that had been hired by the Department of Revenue to review their process and at the hearing at which he spoke and I attended, in response to changes that might be made to improve our system, he suggested that it would be much better if the equalization process by the State Board was up front in the system, that is occurred earlier during the year and then as a result would provide opportunities for people to challenge that valuation on their individual piece of property if their property was increased as a result of that class of property being changed by the State Board of Equalization. You will recall, under our constitution, that we are required to value property at actual value. You can have an assessed value at something less than that. By law, we have actual value to be the assessed value as well. But, in addition, the constitution requires that all property be equalized in their values and for everything but agricultural land, that's at 100 percent constitutionally. Agricultural land was assessed at 80 percent, but nevertheless, the constitution does require it. You could