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LB 419

question?

SENATOR COORDSEN: Yes.

SENATOR DIERKS: Senator Coordsen, I guess I want to know how did this valuation change take place? Who is responsible for this increase?

SENATOR COORDSEN: Well, that's a little hard to do, but I believe that part of the root of the cause is in a Revisor's bill brought to the Revenue Committee by the Property Tax Administrator in 1997. There were a number of changes made along with some repealing some statutes. I'm not so sure that all of the statutes that we repealed ought to have been because it seemed to me, and again remember I'm in the investigation stage, it seemed to me that we took any constraints off of the Property Tax Administrator or an assessor in determining the value of the land under farm sites. Other sites, acreages, for example, have the same type of mechanism that is applied to residential homes and commercial property, but not farm sites.

SENATOR DIERKS: Does the owner of these farm sites have the same recourse to object or to ask for a revaluation as for other types of ag property?

SENATOR COORDSEN: Well, they may have the same right to ask for, but the question in my mind is what would they use for a reason because it's not a sales assessment ratio; it's not out of Marshall and Swift's manual (phonetic) that is the basis for valuing improvements. This is real estate; law says it cannot be valued as agricultural or horticultural land and then is strangely silent after that and so are the regulations. So I do not know what you would base an appeal on, what you would use for a guide.

SENATOR DIERKS: Okay. Thank you very much. I'm interested, too, in the outcome of the study be. Thank you.

SENATOR CUDABACK: Thank you, Senator Dierks. Senator Lynch, on the advancement of LB 419.

SENATOR LYNCH: Question.