

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

April 5, 2000

LB 1010

it...we've determined that in the bill. It's right here. Fair market value. How much more legitimate of a starting point can you get than fair market value? I doubt one percent of these tracts bring that minimum bid of fair market value. And if it does, that obviously...it's a public auction, that's what it's worth. Address the Ted Turner case, where he has the land surrounded. The board has the ability to say, no, in my bill, we're not going to sell it to you at that. You have to increase your offer. And I would suggest in the Ted Turner and the Mormon Church cases, they've said, you need to pay what you paid for the land surrounding it. And they have paid it. My bill doesn't take that option away from the board. It's still right in there. We need to establish a reasonable starting price with fair market value to get this stuff on the market and then let it go at an auction. And who knows what it will bring? Back to Senator Kristensen's amendment, you know, I don't...there's just absolutely no need for it. I think my...the bill as drafted here...actually, the committee amendments are the bill, of course...allow that board...I hope people are listening...it allows them 60 days after receipt of an application to put the land up for sale. It allows that board 60 days to determine whether or not to even sell the land. Now, that's pretty cut and dried. They don't have to sell it. They can say no if they don't want to sell it. Also in the same page, line 12, if the board determines not to offer the tract of land for sale, all they have to do is...they have to state the offering price that was made, and a legal description of the tract of land shall be included in an annual report to the Legislature. How much better can you get? I don't understand what the board's lobbyist out there is thinking about. I honestly think the Kristensen tightens this up to where they don't have an option. It says they shall sell it if they can't demonstrate a higher rate of return on appraised value. Historically, they've never had an eight percent return. They never have. They have to have a four percent return by statutes, in 232.02, I think. They've never had eight percent return on the land. Another issue that was raised at the meeting yesterday, how many portfolio managers do you know that would allow their portfolio to be concentrated 60-some percent...

SENATOR CUDABACK: One minute.