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FLOOR DEBATE

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here...is that right now the requirements are fairly specific. If you've got six acres or eight acres or ten acres or whatever it is, and there is a residence, a home site on there, then the land that's under the house, so to speak, is valued I believe at 100 percent of market value like any residential land. The part that is not under the house but is still a part of the acreage, that for all appearances would be described as part of the residence, so long as there is some commercial agricultural activity or some agricultural activity like making prairie hay, has to be valued as agricultural land and granted a greenbelt status. This proposal would simply say that we're going to leave to the judgment of the assessor whether or not that parcel of land is primarily used as a residence, and if it is, it's valued as if it were a residence.

SENATOR LOUDEN: Okay, one other question. Now, what if a developer goes out here, which it looks like they do out south of Lincoln, and buys 80 acres of land and continues to farm it then, and then in a couple years goes ahead and develops the whole 80 acres like they sometimes do, like you see around Fort Collins and some places, they do it at 80 acres at a time. Now, by...if what you've proposed here is in law, then they cannot recapture any of that for development or for commercial purposes then; is that right?

SENATOR RAIKES: I think, if I understand your example, the way it would work is that the land, as long as it remains in agricultural production, would be greenbelted. It would be valued at production value. As soon as it's taken out of agricultural production, for example, say, in one year they do the...

SENATOR LOUDEN: Your development.

SENATOR RAIKES: ...the housing development, then it is no longer valued for agricultural purposes. And under this proposal the tax obligation on that land would begin at that year at full market value rather than at production value.

SENATOR LOUDEN: Okay. But the way the law is now, the county assessor could go back three years or whatever it is and