

January 19, 1989

LB 36, 38, 648-661

SPEAKER BARRETT: Thank you. On Senator Johnson's motion to advance the bill, is there discussion? Seeing none, Senator Rod Johnson, anything further? The question is then the advancement of LB 36 to E & R Initial. Those in favor vote aye, opposed nay. Voting on the advancement of LB 36. Have you all voted? Record, please.

CLERK: 30 ayes, 0 nays, Mr. President, on the advancement of LB 36.

SPEAKER BARRETT: LB 36 is advanced. New bills, Mr. Clerk.

CLERK: Mr. President, new bills. (Read title for the first time to LBs 648-661. See pages 309-12 of the Legislative Journal.)

SPEAKER BARRETT: Mr. Clerk, proceed to LB 38 on General File, please.

CLERK: Mr. President, LB 38 offered by Senator Rod Johnson. (Read title.) The bill was introduced on January 5, referred to the Agriculture Committee, advanced to General File. I have no amendments to the bill, Mr. President.

SPEAKER BARRETT: (Gavel.) Senator Rod Johnson, to present LB 38.

SENATOR R. JOHNSON: Mr. Speaker and members, again, another housekeeping bill, this time for the Department of Agriculture. Covers three basic areas in the statutes that affect the department. The first area in Section 1 of the bill affects definitions as it relates to the Nebraska Poultry Disease Control Act. Sections 3 through 5 deal with the Manufactured Milk Act and this might be one of the more controversial areas of the bill. In Section 4, it amends the law to require new permittees who run dairies to have hot and cold running water in the milkhouse as of October 1 of 1989. This might be controversial. However, the dairymen have come in and testified in support of the bill and feel that any new construction of a dairy house should incorporate both hot and cold water for sanitation reasons. Finally, in Section 6, it approves new rules and regulations that will be adopted by the state veterinarian as it concerns the Nebraska Swine Brucellosis Act. Again, most of this is technical. The hot and cold running water in the dairy house is an area that does have some concern,

March 7, 1989

LB 262, 285, 505, 594, 609, 653
LR 50

LB 262 by Senators Conway, Baack and Bernard-Stevens. Banking Committee reports LB 505 to General File with amendments, signed by Senator Landis as Chair. Transportation reports LB 285 to General File with amendments, and LB 653 to General File with amendments, those signed by Senator Lamb. (Journal shows LB 653 reported by Revenue Committee. See pages 1015-16 of the Legislative Journal.)

New resolution, LR 50. (Read brief explanation. See pages 1017-18 of the Legislative Journal.)

Mr. President, Senator Elmer would like to withdraw LB 609. That will be laid over. And Senator Smith would like to add her name to LB 594 as co-introducer, Mr. President. That is all that I have.

PRESIDENT: Senator Schimek, would you like to adjourn us until tomorrow at nine o'clock, please.

SENATOR SCHIMEK: Mr. President, I so move that we adjourn until tomorrow morning at nine o'clock, March 8.

PRESIDENT: You have heard the motion. All in favor say aye. Anybody say aye. Opposed no. We are adjourned until tomorrow.

Proofed by:

Arleen McCrory
Arleen McCrory

April 5, 1989

LB 541, 653

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of LB 541.

PRESIDENT: LB 541 is advanced. LB 653, please.

CLERK: LB 653, Mr. President, by Senator Hall. (Read title.) The bill was introduced on January 19, referred to Revenue, advanced to General File. I have committee amendments pending by the Revenue Committee. (See page 1016 of the Legislative Journal.)

PRESIDENT: Senator Hall, please.

SENATOR HALL: Thank you, Mr. President and members. LB 653 was a bill that dealt with central assessment. The committee amendments strike any language in the bill that deal with that issue. It, basically, if you will look at the summary of the bill, there was two parts to the bill, one that dealt with central assessment. That has been stricken. The second part dealt with the setting up the Property Assessment and Taxation Commission to look at the issue and analyze and review the system of valuing and taxing property across the State of Nebraska, and to, basically, make recommendations to the Legislature with regard to the issue of assessment, and any changes that should be made or any problems that we thought or think that are out there that we might have those alleviated. So it is a commission that would be set up. It would have three members of the Unicameral, Chairman of the Revenue Committee, the Tax Commissioner, Chairman of the Revenue Committee being one of those, Tax Commissioner, three professional assessors or appraisers, an ag owner, commercial landowner, and a residential landowner, one from each of the Congressional Districts. And that was what the original provisions in the bill do with the makeup of the commission, and the change would be that we would reduce that number, I think there was originally 15, what I just read off, to I guess 11, and that would be the Tax Commissioner, Chairman of the Revenue Committee, three licensed appraisers, three county assessors, and three property owners. The three appraisers, three assessors, three property owners would come from each of the three Congressional Districts, the idea being there, and this is a recommendation made by the county assessors, themselves, that have testified on the bill and who felt that in order to determine what the problems are out there that what you had to do is you had to have people who were

involved with the process, and to have folks who would have to, in essence, be taught from square one, some of the problems, the terminology and the issues, that you would waste a lot of time, valuable time, that the commission could spend looking at the various systems that are used with regard to valuation and assessment. So the commission would be set up, would report to the Legislature after taking a look at the various provisions that are outlined on page 3 of the bill, under Section 3, and prepare a report and a plan for any necessary legislation, and this would be due to the Legislature by January 1 of 1991. So it would be a process that would begin with the implementation of the bill, and on Select File I will probably ask to have the emergency clause put on the bill so that the appointments could be made by the Governor if the body feels that this is something that they determine is appropriate. With that, Mr. President, I would urge the adoption of the committee amendments, answer any questions that the members may have.

SPEAKER BARRETT PRESIDING

SPEAKER BARRETT: Any discussion on the committee amendments? Senator Withem.

SENATOR WITHEM: Yes, Mr. Speaker and members of the body, I stand in support of the committee amendments as I understand them. I just want to add to what Senator Hall had to say that I think this whole question of assessment is a very key component to any settlement of the property tax issue. The school finance portion of it relies upon local assessment. The level of taxation relies upon assessment. During this summer, we had occasion to have folks from the Property Tax Division of the Department of Revenue brief us on assessment practices in the state, and we identified several problems that exist, and I think we definitely do need some work done on this, and I know Senator Hartnett brought in a couple of bills this year that I thought were excellent suggestions and I'd hope the committee would look at his, as this committee is established they would look at his suggestions and, hopefully, view his ideas as part of the overall process also. I am strongly in support of the committee amendments.

SPEAKER BARRETT: Thank you. Senator Chizek. Thank you. Any other discussion?

SENATOR HALL: Mr. President, I would just move the adoption.

April 5, 1989

LB 611, 653

SPEAKER BARRETT: Those in favor of the adoption of the committee amendments vote aye, opposed nay. Please record.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of committee amendments.

SPEAKER BARRETT: The committee amendments are adopted. Anything further?

CLERK: Nothing further on the bill, Mr. President.

SPEAKER BARRETT: Senator Hall.

SENATOR HALL: Thank you, Mr. President. I would just again urge the body to advance the bill. Senator Withem pointed out the issue of assessment and valuation is a critical component of the whole issue of property taxes, valuations, how we fund the various forms of local government, and I think it is vitally important that we get a good grasp on how this is done across the state so that, (A), we understand it, and, secondly, that any misconceptions that we may have are alleviated, and if there are problems that need to be addressed, hopefully we will be able to collect the information necessary to work toward that end. So I would hope that the body would see fit to advance LB 653 to Select File. Thank you, Mr. President.

SPEAKER BARRETT: Thank you. Senator Hartnett.

SENATOR HARTNETT: (Mike off) ...I think that the comments of Senator Withem and Senator Hall on this issue because we do rely so heavily for local governments that is funded by property tax, and I think that we have a bill later on, Senator Moore's bill, LB 611, which will maybe, if it is passed, we will kind of move eventually, for the schools move to income tax, but I think that one of the things with the unequal assessment, and Senator Lamb has had a bill today dealing with ag land, but I think we need to move away from relying so heavily on property tax, so I, wholeheartedly, support the advancement of Senator Hall's bill dealing with LB 653. Thank you.

SPEAKER BARRETT: Thank you. Any other discussion? Seeing none, : 11 LB 653 be advanced to E & R Initial. All in favor vote aye opposed nay. Please record.

April 5, 1989

LB 161, 653, 653A

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of 653.

SPEAKER BARRETT: LB 653 is advanced. The A bill, Mr. Clerk.

CLERK: LB 653A, Mr. President, introduced by Senator Hall. (Read title.)

SPEAKER BARRETT: Senator Hall.

SENATOR HALL: Thank you, Mr. President. The A bill is in the amount of \$14,570 for '89-90, and \$20,400 for '90-91 periods. They are for the actual and necessary expenses of the commission as we would provide for state employees. I would urge the advancement of the A bill.

SPEAKER BARRETT: Any discussion? If not, the question is, shall LB 653A be advanced? All in favor vote aye, opposed nay. Please record.

CLERK: 26 ayes, 0 nays, Mr. President, on the advancement of LB 653A.

SPEAKER BARRETT: The bill is advanced. To LB 161, Mr. Clerk.

CLERK: Mr. President, LB 161 is a bill offered by Senator Johnson and others. I do have a priority motion, Mr. President. Senator Johnson would ask unanimous consent to bracket LB 161 until January 1st of 1990.

SPEAKER BARRETT: Senator Rod Johnson, please.

SENATOR R. JOHNSON: Mr. President and members, for those of you that are paying attention, this bill is the bill known as the FIFRA program. The FIFRA program is the Federal Insecticide Fungicide Rodenticide Act, which is the act that regulates the application of chemicals, farm chemicals in this state. Currently the federal government is involved in running the program. We are the only state currently that is not involved in having some state role in this program. The federal government has been financing it and has their personnel running the program in Nebraska. This bill would allow the Department of Agriculture to become the lead agency in developing a state program that would be run by state personnel. During the summer and fall I met with many of you and had information meetings

April 10, 1989

LB 46, 84, 145, 157, 231, 231A, 237
356, 379, 410, 414, 418, 587, 588
653, 733

CLERK: Mr. President, I have a reference report referring certain gubernatorial appointees to the appropriate committee for a confirmation hearing.

Senator Conway has amendments to LB 356 to be printed. Senator Conway would like to add his name to LB 84 as co-introducer. That's all that I have, Mr. President.

SPEAKER BARRETT: Thank you. On Senator Withem's motion to adjourn, those in favor...recess, those in favor say aye. Opposed no. Carried, we are recessed until one-thirty.

RECESS

SPEAKER BARRETT PRESIDING

CLERK: I have a quorum present, Mr. President.

SPEAKER BARRETT: Thank you. Back to LB 588. Mr. Clerk, could you bring us up to date as to our position just before recess.

CLERK: Mr. President, I will, if I may read some items for the record initially?

SPEAKER BARRETT: Certainly.

CLERK: Your committee...strike that. A communication to the Clerk from the Governor. (Read communications re: LB 410, LB 414, LB 587, LB 733, LB 157, LB 46, LB 145, LB 231, LB 231A, LB 237, LB 379 and LB 418. See page 1600 of the Legislative Journal.)

Senator Hall has amendments to LB 653 to be printed, Mr. President. (See page 1601 of the Legislative Journal.)

Mr. President, the Legislature left LB 588 this morning and at that time Senator Smith via Senator Chambers had moved to reconsider adoption of Senator Labedz's amendment to the committee amendments. That motion is pending.

SPEAKER BARRETT: Thank you. Back then to the motion to reconsider. Senator Withem, would you care to continue the discussion on the motion to reconsider, Senator Chambers next.

April 10, 1989

LB 84, 319, 541, 611, 630, 640, 646
651, 653, 653A, 705, 710, 762, 811
812

now and Select File. I will try and answer your questions, but now I just ask that we advance the bill.

SPEAKER BARRETT: The question is the advancement of LB 611 to E & R Initial. All in favor vote aye, opposed nay. Have you all voted? Please record.

CLERK: 36 ayes, 1 nay, Mr. President, on the advancement of LB 611.

SPEAKER BARRETT: LB 611 is advanced. Anything to read in, Mr. Clerk?

CLERK: Mr. President, Enrollment and Review reports LB 319 to Select File with E & Rs, LB 640, LB 651, LB 541, LB 653, LB 653A, LB 630, LB 811, LB 812, LB 710, and, LB 646, all to Select File, some have E & R amendments attached. (See pages 1615-22 of the Legislative Journal.)

Senator Conway has amendments to LB 84 to be printed; Senator Hall to LB 762. Senator Abboud would like to add his name to LB 705 as co-introducer. (See pages 1622-28 of the Legislative Journal.) Mr. President, that is all that I have.

SPEAKER BARRETT: Thank you, and the Chair would like to remind members of the briefing on the pharmacy school to be held at this hour in Room 1019. Senator Chizek, please.

SENATOR CHIZEK: Mr. Speaker, I would make a motion we adjourn until April 11th at 9:00 a.m.

SPEAKER BARRETT: You have heard the motion to adjourn until tomorrow morning at nine o'clock. Those in favor say aye. Opposed nay. The ayes have it. Motion carried. We are adjourned. (Gavel.)

Proofed by:


LaVera Benischek

May 9, 1989

LB 653, 813, 814
LR 207, 208

SPEAKER BARRETT: Shall the house go under call? Those in favor vote aye, opposed nay. Record.

CLERK: 15 ayes, 0 nays to go under call, Mr. President.

SPEAKER BARRETT: The house is under call. Please check in and return to your seats. Those outside the Chamber, please return and record your presence. Senator Scofield, please record your presence. Senator Warner, Senator Wesely. Senator Bernard-Stevens, please record your presence. Senator McFarland, please. Senator Hartnett, would you check in, please. Senator Langford. Senator Warner, would you check in, please. Senator Conway, please. Call in votes have been authorized, Senator Schmit? Call in votes are authorized on the adoption of the amendment.

CLERK: Senator Wesely voting yes. Senator Ashford voting yes. Senator Conway voting yes. Senator Peterson voting yes. Senator Robak voting yes.

SPEAKER BARRETT: Record.

CLERK: Senator Rogers voting yes. 30 ayes, 0 nays, Mr. President, on adoption of the amendment.

SPEAKER BARRETT: The amendment is adopted. Anything further on the bill?

CLERK: Mr. President, may I read some items for the record?

SPEAKER BARRETT: Yes, proceed. The call is raised.

CLERK: Mr. President, Senator Bernard-Stevens has a study resolution, LR 208. (See pages 2244-45 of the Legislative Journal.) (Journal pages 2243-44 show a study resolution by Senator Withem, LR 207.)

I have amendments to be printed by Senator Hall to LB 653 and to LB 813. (See pages 2245-46 of the Legislative Journal.)

Mr. President, the next amendment I have to the bill is by Senator Bernard-Stevens. (AM1577 on page 1946 of the Legislative Journal.)

SPEAKER BARRETT: Senator Bernard-Stevens.

May 10, 1989

LB 84, 525, 588, 641, 653

I got...the way I got beat down on that because people don't want to do that. But the fact of the matter is, if you are not going to spend the money and put it in a reserve fund like in Section 3, the money is going to have to come from somewhere. I think it can come from capital construction. I think it possibly could conceivably come from some of the items in the mainline appropriation bill, and, yes, for myself, it could indeed come from some marginally less version of LB 84 because I think it is important that if you are going to do it and you think it is wise, that we all share in the responsibility of that and our own pet interest and cut them all back a little bit, and put the money aside so in the next biennium we don't have to go through what we went through four years ago, four years ago during the Memorial Day Massacre. I think it wouldn't be wise to do that. If Senator Warner reintroduces the amendment on Select File in even a lesser amount or at least a zero amount, that option is good, and I will be supporting it then.

SPEAKER BARRETT: Thank you. Senator Hall, on the advancement of the bill. Thank you. Any other discussion on the motion to advance LB 525? Seeing none, the question is then the advancement of the bill. Those in favor vote aye, opposed nay. Record, please.

CLERK: 33 ayes, 1 nay, Mr. President, on the advancement of 525.

SPEAKER BARRETT: LB 525 is advanced. An announcement to the effect that we will now return to Select File, senator priority bills. Anything for the record, Mr. Clerk.

CLERK: Mr. President, I do. Your Committee on General Affairs, whose Chair is Senator Smith, reports LB 641 to General File with committee amendments attached. I have amendments to be printed to LB 525, and to LB 653, Mr. President. (See pages 2280-87 of the Legislative Journal.) That is all that I have at this time, Mr. President.

SPEAKER BARRETT: Thank you. Back then to LB 588. Mr. Clerk, can you bring us up to date?

CLERK: Mr. President, 588 was discussed this morning. Enrollment and Review amendments were adopted. Senator Withem and Hartnett had an amendment to the bill that was adopted.

May 11, 1989

LB 653

PRESIDENT: LB 653.

CLERK: Mr. President, 653, I have E & R amendments to the bill, Mr. President.

PRESIDENT: Senator Moore.

SENATOR MOORE: I move we adopt the E & R amendments to LB 653.

PRESIDENT: You have heard the motion. All in favor say aye. Opposed nay. They are adopted.

CLERK: Senator Hall, would move to amend the bill.

PRESIDENT: Senator Hall.

SENATOR HALL: Mr. President, I...I have an amendment to the bill. Senator Kristensen has an amendment to the bill and I think with 15 or better members that are excused at present that neither one of the amendments will even have proper discussion let alone have a chance at adoption and I think they're both substantive issues that deserve the opportunity. So, at this point, I would move that we adjourn until 9:00 a.m., Monday morning.

PRESIDENT: You have heard the motion. All in favor say aye. Opposed nay. We are adjourned until nine o'clock, Monday morning. Thank you very much for your cooperation this afternoon.

Proofed by:

Marilyn Zank
Marilyn Zank

CLERK: Mr. President, I have three gubernatorial appointment letters that will be referred to Reference Committee for purposes of referral to the appropriate standing committee for confirmation hearing. (See pages 2338-40 of the Legislative Journal.)

Mr. President, I have a reference report from Reference Committee referring study resolutions introduced this session. (See pages 2340-52 of the Legislative Journal.) That is all that I have Mr. President.

SPEAKER BARRETT: Thank you. If there is no objection from the body, the Chair would like to recommend that we take 429, which we didn't get to handle before lunch and put it at the head of the addendum, which was supplied to you this morning. I would like very much to get through Select File today and that way we could make sure we got through Select File and then proceed to 429 before discussing 84. Remember, of course, that the first four bills on Select file, Item 8 on the agenda, have been handled. So we would begin then at this point in time with LB 653. Any questions or any objections? If not, Mr. Clerk, proceed to LB 653.

CLERK: Mr. President, 653, the Enrollment and Review amendments have been adopted. I do have an amendment to the bill by Senator Hall. Senator Hall's amendment is on page 1601.

SPEAKER BARRETT: Senator Hall, please.

SENATOR HALL: Thank you, Mr. President, and members, this 653, excuse me, is the bill that sets up the commission to study the assessment and valuation practices across the state. This amendment to the bill is on 1601, Mr. President, you caught me off guard here. This amendment to LB 653 allows for support staff for the study of this commission to use the Director of Research, the Legislative Fiscal Analyst and the Revisor of Statutes. I would urge the adoption of the amendment to the bill.

SPEAKER BARRETT: Is there discussion on the amendment offered by Senator Hall? If not, those in favor of its adoption please vote aye, opposed nay. Have you all voted? Please record.

CLERK: 25 ayes, 0 nays, Mr. President on the adoption of

Senator Hall's amendment.

SPEAKER BARRETT: The amendment is adopted.

CLERK: Mr. President, Senator Hall would move to amend the bill. Senator, this is AM1765 that you had printed separately.

SENATOR HALL: Mr. President, I would ask to just roll over that amendment at this time. I think there is...Senator Kristensen has a following amendment, is that correct?

CLERK: Mr. President, Senator Kristensen would move to amend the bill.

SPEAKER BARRETT: Senator Kristensen.

SENATOR KRISTENSEN: Thank you Mr. Speaker and members. This bill is going to give us an opportunity to do something that we desperately are going to need in the advent of passing Senator Landis's LB 361 and down the line LR 2CA in dealing with values of real estate. The amendment that I have got printed in the Journal, on page 2264, is really LB 332 which we had a public hearing on and came out of committee with no objections. I was looking for the most appropriate bill that I believe this would work under and this is the one dealing with valuations and appeals. What this amendment does is it does four things. One of them is it is going to allow people when they appeal from the Board of Equalization, and since we are going to be tinkering with valuations on not only ag land but a variety of other valuations in real property, we are going to have perhaps some more appeals and we are going to need to have some ways to deal with those appeals. What this amendment will do is give us some extra added procedures and a method for counties to deal with those appeals. And, if I can, I would like to take you through step by step what this amendment does. The first thing it does is it allows for the taxpayer to have a transcript of the Board of Equalization, and so we can kind of put into perspective what we are doing. A taxpayer, let's say he doesn't like the value and disagrees with the value of his property that the county has placed through the assessor's office. He has a specific period of time in which he can go back to the assessor. If he doesn't get any satisfaction there, he is allowed a hearing before the Board of Equalization and in most of your counties that's the County Board of Supervisors. If he does not receive, to his satisfaction, and he thinks that there has been an error or he

disagrees with the judgment of the Board of Equalization, he can then take it to the district court in his county. He is going to be limited to the issues that he raised under the Board of Equalization claim. Now the only way he can get that to the district court is he has to have a record of what was done down in the Board of Equalization which would mandate the county supervisors or the commissioners or the Board of Equalization to have a recording, and most of those do today do that. The key is that you want to get that proceeding in front of the district court. So in lines 14 through 21, and then lines 1 through 3 in the first part of this amendment gives that procedure for getting that transcript to the district court. It gives them a period of time to do that. The county clerk will prepare that transcript and then they will deliver it as soon as the taxpayer pays the fees for getting that transcript. They will then file it with the district court. Probably the major thing this amendment does is allows the county, once the appeal has been filed, the county is going to start to prepare for trial and that is usually when you are going to see the county attorney start to put a case together to defend the county's evaluation. That is when you get your expert witnesses in who will look at the soil surveys, it will look at the boundaries, it will look at a variety of things that have been appealed upon. They may well find a mistake. And, the county may say, well, for example, Lancaster County has about 80,000 parcels of property and, quite frankly, there isn't any body, any group that can deal with 80,000 pieces of property and not make some mistakes. I am not here to say that the counties are fault free. There are going to be mistakes and those are the ones that generally get appealed. The trouble is once an appeal has been filed the county has no provision and no way of compromising those claims. They can't come into the taxpayer and say, I'm sorry we made a mistake. So what you wind up doing is you have to go to trial just to make sure that you get the mistakes ironed out. That means both sides have to have expert witnesses which are very expensive. They will more than likely have more than one expert witness, as will the county. A good example might be, let's say that you have got \$100,000 of assessed valuation there, maybe you had a couple extra feet that the county had added on. They didn't find that out till they sent their expert witness out that measured the property and looked at it and said, well, you know, there is maybe a 100 extra feet on this property that we are taxing on that we shouldn't, but we have no way of changing that because the law currently says that there is no way and no allowance to make those compromises or those negotiated

settlements short of going clear through trial. So what this would allow us to do is put in a procedure that is involved in every other civil proceeding in this state and it is called confession of judgment. Really what it is the county will come in and say, well, we think that there is some mistakes on our behalf and we will lower that down and we will offer to settle with you for a lower amount. For example, let's say that extra few feet amounts to about \$5,000 worth of valuation, they will come in and offer to settle with the taxpayer at \$95,000. This amendment also would allow the cost to be assessed by the court. Right now it is mandatory. Let's say the county comes in and they have a small mistake of a couple thousand dollars on a hundred thousand dollar valuation. The taxpayer says, well, we think it is worth \$60,000, you made a \$40,000 mistake. Well, obviously, that is not true, the court doesn't find that but the court finds maybe even a \$200 mistake, all the costs must be placed on the county, that includes expert witness fees, that is expenses for appraisals and so on. What this will do is give the discretion to the court, the district court will have the discretion in determining who should pay those fees. The other thing that this amendment does, it allows for manuals to be defended by the State Tax Commissioner. Right now we have the ag land value manual, which dictates how ag land values are determined. If someone appeals because of those manuals, it is very important that we have the tax commissioner come in and defend the manual. He has got the expertise, they have got the background, they know how it was put together. This amendment is just going to add in the other manuals that are mandated by the tax commissioner. Most of those are going to be what you know as the Marshall Swift Manual, which is a cost manual. That manual doesn't dictate what the value is, but it is an aid and it is a starting place for counties to begin to value property, real property, based on costs. So this amendment is a procedure that allows for really reduction. It will reduce the number of trials, I believe, that you will have to have. It will allow counties to enter into agreements as in any other normal civil case with taxpayers. Should cut the cost down for both the counties and the taxpayers. I have brought it, it went through the hearing, we had a lengthy hearing. There were no objections to it through the Revenue Committee, and I offer it today as something that we really need to do. I think it is vital to not only the counties but I think you will see a lot of taxpayers benefited by this as well.

SPEAKER BARRETT: Thank you. Before proceeding to discussion on

the Kristensen amendment, the Chair is pleased to note that Senator Schmit has guests in the north balcony. We have Marilyn Young and 19 fifth graders from Mead Elementary. Would you folks please stand and be recognized. Thank you, we appreciate the fact that you were able to visit us this afternoon. Senator Rod Johnson, discussion on the amendment, followed by Senators Hall and Schmit.

SENATOR R. JOHNSON: Mr. President and members, I stand to lend my support to Senator Kristensen in offering this amendment, whether it be a question of germaneness or not, I don't know if that has been addressed, but there is no question with the passage that this body made with LB 361 that complaints are going to be filed and with the increases in valuations across the state with ag land valuations we are going to see a number of complaints filed, and I think this will help expedite the process and I am pleased that Senator Kristensen has decided to offer this at this time because I think it's going to be necessary until we are able to get to the point of discussing the constitutional amendment that will be on the ballot in November of 1990. In the meantime, LB 361 will be in place and we will be making appropriate adjustments to the state ag land valuations. I think this is a necessary tool that the state is going to have to have in order to address those complaints. So, as I said, I, personally, lend my support to Senator Kristensen's efforts to address what I consider to be a very serious problem. I would be happy to relinquish my time to Senator Landis, if he would like the remainder of my time.

SPEAKER BARRETT: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I serve on the Revenue Committee where we heard this bill. I voted for it in committee. I think it is a wise piece of legislation. We should allow for negotiated settlements and to allow for this kind of expedited approach. I intend to support the amendment.

SPEAKER BARRETT: Thank you. Senator Hall.

SENATOR HALL: Thank you, Mr. President and members. I rise in support of Senator Kristensen's amendment. Doug brought the bill to the Revenue Committee in the form of LB 332, it is a piece of legislation that does allow for the counties to basically say, we are guilty or we made a mistake and to

circumvent the court proceedings which now they have no choice but to go through even though they recognize that the valuation is incorrect and are willing to basically acquiesce to the landowner, property owner. So in this case I think the bill was a bill that just basically got caught up in the system. It was advanced out of the Revenue Committee, seven to nothing I think, and had no opposition at the hearing. It is a situation that is caused many times because the assessment, sale assessment ratios aren't even ready until after the board has met and there is no determination that the valuation or the assessment is wrong until that situation is already by the wayside, so it just allows for basically a technical change so that the county can say, look, we did make a mistake and we don't feel that either side, either the county should have to incur the cost with regard to preparing for court, nor should the landowner have to do that as well, the property owner, when the decision that is going to come out is one that is in favor of the property owner who is disputing the assessment or the valuation. It does provide for a very workable situation that needs to be amended into this bill and I would encourage the body to do so.

SPEAKER BARRETT: Thank you. Senator Schmit on the amendment, followed by Senator Kristensen.

SENATOR SCHMIT: A question of Senator Kristensen, please.

SPEAKER BARRETT: Senator Kristensen.

SENATOR KRISTENSEN: Yes.

SENATOR SCHMIT: Senator Kristensen, do you anticipate, because of the passage of LB 361, a higher percentage of appeals to those valuations or is there some other reason other than the existing ones that you have given for this amendment?

SENATOR KRISTENSEN: Well, Senator Schmit, I, obviously, had this bill introduced long before LB 361 appeared headed for passage. I think that it's been a continuing problem with particularly ag land values and the appeals with commercial property in relation to those values and so this was a piece of legislation that I guess we have been looking at or I have been looking at for some period of time since I have done some of those cases. It was not generated by the passage of LB 361. I think 361 may well add to some uncertainty in those areas though.

May 15, 1989

LB 271 653A, 653

SENATOR SCHMIT: Thank you Senator Kristensen. While I support the amendment, the lack of a proper appeal to property tax evaluation under LB 271 was one of the principle reasons why many individuals voted against the bill and, to the extent that this amendment would modify and correct that problem, it is a step in the right direction. I'm not sure that it is all that we need but it is an improvement and I would support the amendment.

SPEAKER BARRETT: Senator Landis anything further? Thank you. Senator Kristensen, would you care to close? Thank you. The question is then the adoption of the amendment offered by Senator Kristensen to LB 653. Those in favor vote aye, opposed nay. Please record.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of Senator Kristensen's amendment.

SPEAKER BARRETT: The amendment is adopted.

CLERK: Mr. President, I am back to your amendment, Senator.

SENATOR HALL: (Mike not activated.) ...withdraw that amendment.

SPEAKER BARRETT: It is withdrawn.

CLERK: Mr. President, I have nothing further on the bill.

SPEAKER BARRETT: Senator Lindsay. Senator Hall, please.

SENATOR HALL: I'd move LB 653 be advanced to E & R.

SPEAKER BARRETT: Shall LB 653 be advanced to E & R? All in favor say aye. Opposed no. Ayes have it, the motion carried, the bill is advanced. The A bill, Mr. Clerk.

CLERK: Mr. President, LB 653A, I have no amendments to the bill.

SPEAKER BARRETT: Senator Lindsay.

SENATOR LINDSAY: Mr. President, I move that LB 653A be advanced to E & R.

May 16, 1989

LB 653, 761A, 813, 815
LR 214

SPEAKER BARRETT: Thank you. Shall the amendment to 813 be adopted? All in favor vote aye, oppose nay. Record please.

CLERK: 29 ayes, 0 nays, Mr. President on adoption of the amendment as offered by Senator Warner.

SPEAKER BARRETT: The amendment is adopted. Mr. Clerk, for the record.

CLERK: Mr. President, I have two Attorney General's Opinions, one to Senator Haberman and one to Senator Scofield. (See pages 2401-2405)

Mr. President, Senator Schmit has amendments to LB 815 to be printed. A new A bill, 761A by Senator Warner, appropriates funds for 761.

Notice of Confirmation Hearing by Transportation Committee, it is signed by Senator Lamb as Chair.

And Mr. President, a new resolution LR 214 by Senator McFarland asking the Legislature to congratulate Mr. Ed Childress for his many years of fine service to the education of Lincoln's youth. That resolution will be laid over, Mr. President.

One last item, Senator Kristensen would like to add his name to LB 653 as co-introducer. That is all that I have, Mr. President.

SPEAKER BARRETT: Thank you. Senator Lowell Johnson.

SENATOR SCHMIT: Mr. Speaker and members of the Legislature, I move that we recess until 1:30 p.m.

SPEAKER BARRETT: You heard the motion to recess until 1:30 p.m. Those in favor say aye, opposed no. Carried, we are recessed.

RECESS

SPEAKER BARRETT PRESIDING

May 16, 1989

LB 285, 285A, 309, 355A, 653, 653A, 813
817A
LR 215

of the Haberman amendment to LB 813. All in favor vote aye, opposed nay. Voting on the Haberman amendment to LB 813. Record, please. A record vote has been requested if anyone else would care to vote before we record. Please record.

CLERK: (Record vote read. See pages 2410-11 of the Legislative Journal.) 10 ayes, 17 nays, Mr. President.

SPEAKER BARRETT: The motion fails. The Chair is pleased to announce that Senator Byars has some guests in the north balcony, 85 fourth graders from Fairbury and Jefferson Schools and their teacher. Would you folks please stand and be welcomed by the Legislature. Thank you very much. We're glad you could visit us this afternoon. Anything for the record, Mr. Clerk?

CLERK: Mr. President, yes, thank you. New resolution, LR 215, by Senator McFarland. (Read brief description of LR 215. See page 2411 of the Legislative Journal.) That will be laid over.

I have amendments to be printed to LB 355A by Senator Wesely. (See pages 2411-12 of the Legislative Journal.)

Enrollment and Review reports LB 285, LB 285A, LB 653, LB 653A as correctly engrossed. (See pages 2414 of the Legislative Journal.)

Senator Hall has amendments to LB 309. (See pages 2412-13 of the Legislative Journal.)

And a new A bill, Mr. President, LB 817A by Senator Conway. (Read title for the first time as found on page 2413 of the Legislative Journal.)

Mr. President, the next amendment to LB 813 is by Senator Chambers.

SPEAKER BARRETT: Senator Chambers.

SENATOR CHAMBERS: Mr. Chairman and members of the Legislature, this is an amendment that would raise the salary of the Parole Board. If you look for the pink sheet on your desk, you will find it. This is a matter that I had been working on for a number of years and last year there was an indication given to me by the Governor's Chief of Staff that she would support this proposition. We have finally discussed it and reached an accord

May 22, 1989

LB 640, 653, 653A, 683

CLERK: (Read record vote as it appears on pages 2649-50 of the Legislative Journal.) 40 ayes, 3 nays, 2 present and not voting, 4 excused and not voting, Mr. President.

PRESIDENT: LB 640 passes with the emergency clause attached. LB 653 with the emergency clause attached.

CLERK: (Read LB 653 on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 653 pass with the emergency clause attached? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Read record vote as it appears on pages 2650-51 of the Legislative Journal.) 43 ayes, 0 nays, 2 present and not voting, 4 excused and not voting, Mr. President.

PRESIDENT: LB 653 passes with the emergency clause attached. LB 653A.

CLERK: (Read LB 653A on Final Reading.)

PRESIDENT: All provisions of law relative to procedure having been complied with, the question is, shall LB 653A pass? All those in favor vote aye, opposed nay. Have you all voted? Record, Mr. Clerk, please.

CLERK: (Read record vote as it appears on pages 2652 of the Legislative Journal.) 45 ayes, 0 nays, 1 present and not voting, 3 excused and not voting, Mr. President.

PRESIDENT: LB 653A passes. LB 683 with the emergency clause attached.

CLERK: Mr. President, I have a motion on the desk. Senator Warner would move to return the bill for a specific amendment. That amendment being to strike the enacting clause.

PRESIDENT: Senator Warner please.

SENATOR WARNER: Mr. President and members of the Legislature, it is my intent to withdraw this amendment after I allow Senator Landis an opportunity to respond, if he chooses to do so. I don't intend to make an extended debate. I would argue, as I

May 22, 1989

LB 84, 630, 640, 653, 653A, 683, 683A
705, 710, 739

we continue to raise those monies so we can operate state government at a healthy level. Even though we have expended additional dollars this year and, as many would like to say, gone hog wild, I don't believe we have. I think what the Legislature has done is prudently address each and every issue, whether it be the budget or capital construction, and made decisions and made decisions based on information that they had. And I think we made good decisions. I don't agree with them all. Many of you don't agree with certain decisions that we made. The fact of the matter is that we deliberated and debated those as a body. A majority of the body felt that those expenditures needed to be made. We made them. Now what we need to do is protect the base that brought us the ability to make those expenditures, protect that base, not just for today but on into the future. I would urge you very strongly to return LB 739 to strike the enacting clause because it is not a bill that I think at this point in time we need to pass. Should the revenues continue to flow in as they have in the past in some of our one-time expenditures, as in LB 84, and the capital construction budget go away, revenues continue to come in...

SPEAKER BARRETT: Time.

SENATOR HALL: ...maybe we need to address the issue of reducing that income tax bracket. But, at the least, if this should fail, I have an amendment up to strike Section 2 which would be the two credits which break new ground, as I said before, dealing with the issue of loss of the base and that I would hope at least the body would address. But today, at this moment, I would urge you to return this bill to Select File so the issue of 739 can basically go away and we can pay for the, I think, good public policy that we advanced over the last week. I would urge the return of the bill.

SPEAKER BARRETT: Thank you. While the Legislature is in session and capable of transacting business, I propose to sign and I do sign LB 630, LB 640, LB 653, LB 653A, LB 683 and LB 683A, LB 705 and LB 710. Discussion on the motion to return the bill to Select File offered by Senators McFarland and Hall. Senator Abboud, followed by Senators Wesely, Lamb, Nelson and Hefner.

SENATOR ABBODD: Mr. President, colleagues, I oppose any attempts to return this bill because I feel that any amendments that are attached to this bill at this late a date in the