

January 30, 1986 LB 819
LR 13, 29, 34, 304, 310

And, Mr. President, your Committee on Constitutional Revision and Recreation, whose Chair is Senator Rupp, reports LR 29 to General File with amendments attached, LR 34 to General File with amendments attached, LR 13CA as indefinitely postponed, LR 304 as indefinitely postponed, and 310 as indefinitely postponed. All of those signed by Senator Rupp as Chair of the Constitutional Revision and Recreation Committee. (See pages 599-600 of the Legislative Journal.)

Mr. President, the next bill this morning is LB 819. It is offered by Senator Vard Johnson. (Read.) The bill was read on January 8 of this year, referred to Revenue, advanced to General File. I have no amendments to the bill.

PRESIDENT: The Chair recognizes Senator Vard Johnson.

SENATOR V. JOHNSON: Mr. Speaker, members of the Legislature, this is a fairly arcane bill that really only applies to Douglas County, it doesn't apply to the rest of the state. This particular bill came to me from the City of Omaha. It was the City of Omaha who was the primary supporter of this measure. Today, when people fail to pay their taxes and people fail to pay their special assessments on their property, those special assessments and taxes go into foreclosure. That happens throughout the State of Nebraska. Following the foreclosure some people may come to the foreclosure sale and bid in or bid for that property. When they do bid in, however, there will not be a sale effected of that property unless the bid itself is at least, unless the bid itself is at least equal to the taxes and the special assessments. Now a problem developed in Douglas County a number of years ago that an awful lot of slum property never got bidders. So the property just kind of remained in limbo for a long period of time. So the Legislature creatively established the Land Reutilization Authority, a governmental unit, in 1972, the purpose of which was to automatically bid. The LRA automatically bids in, at these foreclosure sales, the amount of the unpaid taxes and special assessments. Then it acquires the property. Later on the Land Reutilization Authority will attempt to dispose of the property at what its established market value is, which may be substantially less than the outstanding taxes and assessments. This bill affects the Land Reutilization Authority. It does not affect