

AMENDMENTS TO LB 1432

1 1. Insert the following new sections:

2 "Sec. 3. For purposes of the Agricultural Suppliers
3 Lease Protection Act:

4 (1) Agricultural tenant means any public warehouse
5 licensee as defined in section 88-526 or any other persons
6 primarily engaged in the sale or distribution of fertilizer,
7 agricultural chemicals, or other products used or useful in the
8 production of agricultural crops and livestock occupying railroad
9 land owned or controlled by a railroad or its successor in
10 interest;

11 (2) Good faith means honesty in fact in the conduct of
12 the transaction concerned;

13 (3) Lease means any agreement between a railroad and a
14 tenant under the terms of which a tenant occupies the surface of
15 railroad land;

16 (4) Railroad land means any land acquired by a railroad
17 in strips for right-of-way and any parcel or tract acquired by a
18 railroad adjacent to its right-of-way to aid in the construction,
19 maintenance, and accommodation of its railway and which is occupied
20 pursuant to a lease by a tenant who owns improvements thereon; and

21 (5) Successor in interest includes any agent, successor,
22 assignee, trustee, receiver, or other person acquiring interests or
23 rights in railroad land, including, but not limited to, the owner
24 or holder of any servient estate or right of reversion relating to

1 railroad land.

2 Sec. 6. The Agricultural Suppliers Lease Protection Act
3 shall not apply to any valid lease entered into prior to the
4 effective date of this act or any renewal or extension thereof on
5 the same terms and conditions, but the provisions of the act shall
6 apply to and govern any renewal or extension of such lease on any
7 different terms or conditions or any material modifications of any
8 such lease effected on or after the effective date of this act."

9 2. On page 2, line 21, strike "(a)" and after
10 "regarding" insert "application and reasonableness of"; strike
11 beginning with the last "a" in line 24 through "on" in line 25 and
12 insert "railroad"; and strike line 28.

13 3. On page 3, strike lines 1 through 6; in line 9 strike
14 "negotiation is requested in writing" and insert "notification is
15 given to an agricultural tenant by a railroad or its successor in
16 interest that it wishes to (a) renew a lease upon new terms, (b)
17 terminate a lease, (c) not renew a lease upon the expiration of a
18 current lease, or (d) change the terms of an existing lease"; after
19 line 19 insert the following new subsection:

20 "(4) All costs incurred by the department investigating
21 and determining all matters in controversy pursuant to subsection
22 (3) of this section shall be paid equally by the parties."; and
23 strike beginning with "(1)" in line 20 through line 28 and insert

24 "(1) At the expiration of an existing lease, the
25 agricultural tenant shall be given the opportunity to renew the
26 lease at fair market value. Controversies regarding what
27 constitutes fair market value shall be governed by section 4 of

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1 this act. If the agricultural tenant agrees to renew the lease at
2 fair market value, the lease shall be given to the agricultural
3 tenant. When a person other than the current leaseholder becomes
4 the lessee of a leasehold site described in subdivision (1) of
5 section 4 of this act or the lease is terminated by the lessor for
6 reasons other than nonpayment or other material breach of the
7 lease, the lessor or new lessee shall compensate the former
8 leaseholder for the fair market value of improvements made by the
9 former leaseholder. The lessor or new lessee shall not be required
10 to compensate the former leaseholder for the fair market value of
11 improvements made by the former leaseholder if the former
12 leaseholder elects not to renew the lease at fair market value."

13 4. On page 4, strike lines 1 and 2.

14 5. Renumber the remaining sections and correct internal
15 references accordingly.