

March 26, 1973

(Start Belt #15)

those lands either I want you to know. Now Senator Lewis points out that the Supreme Court declared these unconstitutional, the land sale bill but it didn't because we have in our constitution that it requires a certain number of Supreme Court members in order to declare a law unconstitutional and this constitution took over and they did not declare this law unconstitutional. Now Senator Lewis pointed out that some leases where the land was offered for sale or at least leased, had, in 1972 had a return of 5.07%. This is the gross rental in relation to the appraised value. It is not the net rental that they received in relation to the market value. I would wager that it is closer to 2½% if you deduct the school taxes, if you deduct the administrative expense and if you apply it to the market value, that land is closer to 2 or 2½% than it is 5.07%. Now then, Senator Syas tried to confuse this Legislature by bringing up a point that is not in my amendment. He said, are you going to stick a gun in their back and force it to be sold? Why not give it to them? Well, now, this is a very unusual statement from my good friend Senator Syas. He knows because I previously explained this when I was explaining my amendment that the Board of Educational Lands and Funds is required by law to put an appraised value on it equal to what they think is the market value and the first bid price has to be that price or it is not sold. Then competition comes in and they may bid a higher price on it and on that basis then, the price, the market price, may go up much more than they put on it for the first bid price so it cannot sell unless the first bid is as high or higher than that price. Now Senator Carstens points out that the real purpose is not to benefit the schools but is to sell the land. Well, it's two purposes. One is to benefit the schools by \$5,000,000 a year and reduce your property taxes by that amount and secondly, is to get the land into private ownership. Even under socialism, we believe in private ownership of land. Under capitalism we believe in private ownership of land and you all know without me saying it what form of government believes in public ownership of land. I don't care to say that because Senator Nore's not here. And Senator Lewis, or somebody, said, I think Senator Carstens, that land prices double in value. Well, Senator Carstens, I got some land to sell at the same price it sold for 7 years ago in western Nebraska, wheatland. You come up after this, when I get through talking why we'll make out a contract and you can buy it, and the county assessors and the State Tax Commissioner has said that in certain counties of western Nebraska, they're using the same price figures now as it was appraised at several years ago. It hasn't gone up in value like that, in fact, some lands, up to a year ago when I was very familiar with the land prices, had not gone up at all. Then Senator Lewis points out there is a bonus paid. Well this bonus plus the rentals is included in this 2% return. Even after you include all those bonus payments which are paid, the land has returned about 2% on the appraised value, not the market value. If you put the market value on, it'd be less than that. So I feel very definitely that this amendment should be put on. Why should this Legislature all of a sudden change it's mind? I think that in order to keep our image that we should keep our mind on selling rather than to change all the time and so I say that this amendment should be adopted.

PRESIDENT: Question is, shall the Whitney amendment be adopted. All those in favor vote aye. All those opposed vote no. You are voting on the Whitney amendment to L.B. 145. Once again the Chair would inquire if you have all voted? I'll wait for you, Senator Stahmer. You are voting on the Whitney amendment to L.B. 145. I should say Whitney amendment number 1 because I understand there is another one. Whitney amendment number 1 to 145. Go ahead, Senator Dickinson, I'll wait. And once again,