

says, actual value of property shall mean the fair market value of such property which is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. This is word for word identical to the federal definition used in the estate laws. There is tens of thousands of cases to back up exactly what this definition means. It would make it very simple so that everybody would operate from the same simple definition.

SPEAKER MARVEL: Okay, we are speaking to the DeCamp amendment to the committee amendments. Senator Johnson and Senator Keyes.

SENATOR JOHNSON: I just want to spend a few minutes, Mr. Speaker and members of this body. Speaking in support of Senator DeCamp's amendment, as you know, we have in our statute now defining actual value seven different standards which can be applied if applicable. Now these seven standards that we have in our present statute are not writ in stone. In fact, I had our legislative research office do a study this summer of the development of the concept of actual value in this state, and the study indicates that back in 1857 the Territorial Legislature adopted the first concept of actual value, and since that time the statutory phraseology of actual value has changed. It has gone from one thing to another, to a third, to a fourth, to a fifth, to a sixth, to a seventh, right on down the line. I will be happy to photocopy the study that was done and provide it to all of you. I contacted the Department of Revenue and I asked the department whether or not the seven standards that we presently have in our law created hardship in terms of assessment of properties. In a letter dated October 18, 1979 to me from Mr. Fred Herrington, he said, you have asked whether Nebraska county assessors uniformly apply the seven factors set forth in Section 77-112. We doubt that there is a high degree of uniformity of application. The seven factors are so intertwined as to be nearly inseparable. For example, earning capacity of the property is one factor that is dependent on all of the other factors. I have stated the foregoing, he says, only to point out that it is nearly impossible to make the statement that some assessor is using one or two of the factors through the exclusion of the rest of them. Obviously, under certain conditions one factor is more influential than others, and this is the reason for our saying that we doubt that there is a great deal of uniformity of application of the factors throughout the state. Also, he says the degree of experience possessed by