

city. It is all in grass. From time to time a horse or two runs over that land. It is today...comes under the greenbelt provisions. He told me very frankly that he'd bought the land as an investment, that he intends to hold it until the city moves out to this area. May take 15, 20, 30 years. I asked him how he could possibly afford to not receive any income off that land for that period of time. And he just shrugged it off. He said the taxes I pay as farmland are not significant, whereas depreciation value of the land for industrial purposes, or for residential purposes, will be many, many times greater than the income that I would have lost. I want to ask a question, perhaps of Senator Warner. Is there any indication that this is a significant trend, or do we know of any such situations that actually have developed where individuals have used this in this manner for the purposes of protecting an investment? Is that possible, or is it possible?

SPEAKER BAACK: Senator Warner.

SENATOR WARNER: Yeah, Senator Schmit, actually the reverse happened prior to the adoption of this amendment, because as a practical matter property that was developed, and developable, if you went back and looked 20 years ago, was grossly undervalued. And land...and what was happening in practice was that assessors may have several thousands of acres with a modest increase in valuation, as the potential for development purposes. And land that, in fact, was developed and sold, sold for many times the value that was put on because of the...they had so much. I can tell you, for example, Lincoln had...or Lancaster County rather had, I don't recall the exact number, but it was around five, or six thousand acres or maybe more had a slight, modest increase in value because of potential. And...but then when land was sold, it was sold for much more and there was no recovery. Under this provision, when...and I should add on that there was about 300 acres a year being developed. When that 300 acres was valued or rather sold for much more than it was valued, it was grossly undervalued. But this provision, it provides the opportunity, because you cannot anticipate where development is going to take place, that when it does occur, then you go back five years and pay the difference in the taxes that would have been paid if it was a dual value land, plus interest for that fact. Let me tell you another example. There was a piece of ground, when I first became interested in this, but it was located at 84th and "O". It is now where Southeast Community College is located. And at