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## CC307 1982 Proposed Constitutional Amendments

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1982 PROPOSED CONSTITUTIONAL AMENDMENTS

by

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Extension Economist--Public Policy

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The 1982 general election is November 2. At that time Nebraskans will vote on six amendments to the Nebraska Constitution. The Nebraska Legislature has given its approval for five of the proposed amendments to appear on the ballot. The sixth will appear by petition of the people.

To make an informed decision on each of the proposed amendments, voters should study each issue in advance of election day. The intent of this publication is to 1) give an overview of the proposed amendments as they will appear on the ballot; 2) show how the Constitution would be amended if (majority) approval is given by the voters; and 3) list points being made by both supporters and opponents of each of the proposed amendments.

No personal value judgment with regard to the desirability of any of the amendments is intended.

Assistance from the offices of the Secretary of State and the Clerk of the Legislature is gratefully acknowledged.

Proposed Amendment No. 1

READING BILLS ALOUD BEFORE FINAL PASSAGE

-----  
A vote FOR this proposal will remove the constitutional requirement that all bills be read aloud in their entirety before being voted on for final passage, and substitute therefor a provision that they shall only be read aloud in their entirety when requested by any one member of the Legislature.

A vote AGAINST this proposal will retain the present constitutional requirement that all bills automatically be read aloud in their entirety before the vote on final passage is taken.

☐

For

Constitutional amendment to require reading of bills at large before final passage only if requested by a member of the Legislature.

☐

Against



Issued in furtherance of Cooperative Extension work, Acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture. Leo E. Lucas, Director of Cooperative Extension Service, University of Nebraska, Institute of Agriculture and Natural Resources.





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Nebraska Cooperative Extension Service CC-307

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This proposed amendment would change Section 14 of Article III (Legislative). At present, the opening sentences of this section are as follows:

Every bill and resolution shall be read by title when introduced, and a printed copy thereof provided for the use of each member, and the bill and all amendments thereto shall be printed and read at large before the vote is taken upon its final passage. No such vote upon the final passage of any bill shall be taken, however, until five legislative days after its introduction nor until it has been on file for final reading and passage for at least one legislative day.

If the proposed amendment is adopted, Section 14 will be changed to read:

Every bill and resolution shall be read by title when introduced, and a printed copy thereof provided for the use of each member, and the bill and all amendments thereto shall be printed ~~and read at large before the vote is taken upon its final passage~~ before the vote is taken upon its final passage. Any member of the Legislature may request that a bill be read at large before the vote is taken upon its final passage, and the bill shall be so read. No such vote upon the final passage of any bill shall be taken, however, until five legislative days after its introduction nor until it has been on file for final ~~reading and~~ passage for at least one legislative day.

The purpose of the amendment is to eliminate the requirement that all bills be read aloud before a vote is taken on final passage.

Proponents make the following arguments on behalf of the amendment:

\* Reading of bills takes a considerable amount of the Legislature's time--as much as 25 to 30 percent of the total according to some estimates.

\* Senators have generally made their decisions on how they will vote prior to the final reading; therefore, little attention is paid to the formal reading of bills.

\* The amendment provides for final reading should any member of the Legislature request it.



Opponents of the amendment make the following arguments:

\* Final reading does give extra time to those Senators who have not made a previous decision on how to vote.

\* Psychological pressure could be applied to one or two Senators to not request a final reading if the remainder of the Legislature was ready to vote.

\* Some citizens may feel that a final reading helps to protect the public against the passage of "bad laws."

Proposed Amendment No. 2

AUTHORIZE REVENUE BONDS FOR BUSINESSES IN BLIGHTED AREAS

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A vote FOR this proposal will enable the Legislature to broaden the Industrial Development Act, under which cities and counties may issue revenue bonds to acquire, develop, lease and finance real and personal property suitable for use by manufacturing or industrial enterprises, by enabling the cities and counties to do the same for other types of business or commercial enterprises (which are not manufacturing or industrial in nature) as would be determined by statute, so long as such property was located in blighted areas as defined by statute, and would continue to provide that such bonds would not become general obligation bonds of the issuing city or county.

A vote AGAINST this proposal will retain the present provision limiting the cities and counties under the Industrial Development Act to acquiring, developing and leasing property suited only for manufacturing or industrial enterprises, thus prohibiting the Legislature from broadening the Act allowing them to do the same for non-industrial or manufacturing commercial enterprises located in blighted areas.

☐

For

Constitutional amendment to  
authorize the use of revenue bonds to  
develop blighted property.

☐

Against

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This proposal would amend Section 2 of Article XIII (State, County and Municipal Indebtedness). The section now reads:



Notwithstanding any other provision in the Constitution, the Legislature may authorize any county, incorporated city or village, including cities operating under home rule charters, to acquire, own, develop, and lease real and personal property suitable for use by manufacturing or industrial enterprises and to issue revenue bonds for the purpose of defraying the cost of acquiring and developing such property by construction, purchase, or otherwise. Such bonds shall not become general obligation bonds of the governmental subdivision by which such bonds are issued.

If the amendment is adopted, this part of Section 2, Article XIII would be changed to read:

Notwithstanding any other provision in the constitution, the Legislature may authorize any county, incorporated city or village, including cities operating under home rule charters, to acquire, own, develop, and lease real and personal property suitable for use by manufacturing or industrial enterprises and to issue revenue bonds for the purpose of defraying the cost of acquiring and developing such property by construction, purchase, or otherwise. The Legislature may also authorize such county, city, or village to acquire, own, develop, and lease real and personal property suitable for use by enterprises as determined by law if such property is located in blighted areas as determined by law and to issue revenue bonds for the purpose of defraying the cost of acquiring and developing or financing such property by construction, purchase, or otherwise. Such bonds shall not become general obligation bonds of the governmental subdivision by which such bonds are issued.

The intent of this proposal is to expand the scope of industrial development bonds to other enterprises (as defined by the Legislature) beyond manufacturing and industrial enterprises, provided that these enterprises are located in blighted or substandard areas.

Proponents of the proposed amendment make the following arguments:

\* The Nebraska Industrial Development Act does not currently permit the issuance of industrial development bonds for non-manufacturing businesses, yet some areas where redevelopment may be needed most have traditionally had little or no manufacturing activity.

\* The infra-structure (e.g., utilities, schools, recreational sites) remains when an area declines, but it is often under-utilized. Other public services, such as police and fire protection, may have



to be increased. At the same time, the tax base often declines with a resultant decrease in revenue produced.

\* Other states permit industrial development bonds to be used by non-manufacturing businesses. Should the federal "enterprise zone" proposal be approved by Congress, broader use of industrial development bonds may be needed in Nebraska so local units of government can effectively compete for enterprise zone designation.

Opponents of the proposed amendment raise the following objections:

\* Should the constitutional amendment be approved, the Legislature would have to approve implementing statutes which would more precisely define eligibility for financing from revenue bonds. No one knows at this time what those eligibility standards would be. Would blighted areas, for example, be only in Nebraska's largest metropolitan areas or could they also be designated in smaller towns and villages?

\* Businesses assisted by revenue bond financing may compete unfairly with other businesses outside the designated blighted area which are not eligible for the special financing.

### Proposed Amendment No. 3

#### LIMIT THE RIGHT OF REDEMPTION OF CERTAIN REAL ESTATE SOLD FOR NONPAYMENT OF TAXES

-----

A vote FOR this proposal will reduce the period of time in which owners and persons interested in real estate subject to public sale for nonpayment of taxes or special assessments may redeem such property from not less than two years to not less than six months, if such real estate is located within an incorporated city, village, or sanitary and improvement district, but will retain the present redemption period of not less than two years if such real estate is not located within an incorporated city, or village, or sanitary and improvement district, or if it is the residence of the owner.

A vote AGAINST this proposal will retain the present period of not less than two years within which owners and persons interested in real estate subject to public sale for nonpayment of taxes or special assessments may redeem such property, regardless of where it is located or the use to which it is being put.



<input type="checkbox"/>	For	Constitutional amendment to limit the right of redemption of real estate sold for nonpayment of taxes or special assessments to a period of six months when such real estate is located within an incorporated city, village, or in a sanitary and improvement district, except that such limitation
<input type="checkbox"/>	Against	shall not apply to real estate that is the residence of the owner of such real estate.

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This proposed amendment applies to Section 3 of Article VIII (Revenue). The section currently reads as follows:

The right of redemption from all sales of real estate, for the non-payment of taxes or special assessments of any character whatever, shall exist in favor of owners and persons interested in such real estate, for a period of not less than two years from such sales thereof. Provided, that occupants shall in all cases be served with personal notice before the time of redemption expires.

If the amendment is adopted, Section 3, Article VIII would be changed to read:

The right of redemption from all sales of real estate, for the nonpayment of taxes or special assessments of any character whatever, shall exist in favor of owners and persons interested in such real estate, for a period of not less than ~~two-years~~ (1) six months, if such real estate is located in whole or in part, within the legal boundaries of an incorporated city, village, or sanitary and improvement district, or (2) two years, if such real estate is not located, in whole or in part, within the legal boundaries of an incorporated city, village, or sanitary and improvement district, or if the real estate is the residence of the owner of such real estate from such sales thereof. Provided, that occupants shall in all cases be served with personal notice before the time of redemption expires.

The intent of the proposal is to change the redemption period on tax-foreclosed property from two years to six months on property located, in whole or in part, in an incorporated city or village except for owner-occupied property. The six month right of redemption period would also apply to tax-foreclosed property that is in sanitary and improvement districts.

Proponents make the following arguments:

\* With the adoption of the amendment, property in urban areas would not remain idle for so long and be subject to vandalism.



\* By reducing the right of redemption period to six months, abandoned, tax-foreclosed property could be sold more quickly, rehabilitated, and placed back on the tax rolls.

\* The amendment is restrictive in that applies only to abandoned property in cities or villages; landlords for other properties will still have a two year redemption period.

Opponents of the amendment argue as follows:

\* Reducing the redemption period for some property may be the first step toward eventually doing so for all property.

\* The public has been less concerned about reducing the redemption period than some government officials.

#### Proposed Amendment No. 4

##### PROVIDE EXPENSE REIMBURSEMENT FOR MEMBERS OF THE LEGISLATURE

-----

A vote FOR this proposal will provide that members of the Legislature shall be reimbursed for their actual expenses reasonably and necessarily incurred in the performance of their duties, while retaining their salary at the current level of four hundred dollars per month.

A vote AGAINST this proposal will continue to prohibit members of the Legislature from being reimbursed for their actual expenses reasonably and necessarily incurred in performing their duties; will continue to allow them only travel expenses for one round trip to and from each legislative session as well as their salary of four hundred dollars per month.

☐

For

Constitutional amendment to provide that members of the Legislature shall be reimbursed for their actual expenses reasonably and necessarily incurred in the performance of their duties.

☐

Against

-----  
This proposed amendment applies to Section 7 of Article III (Legislative). In part the section currently reads as follows:

. . . Each member of the Legislature shall receive a salary of not to exceed four hundred dollars per month during the term of his office. In addition to his salary, each member



shall receive an amount equal to his actual expenses in traveling by the most usual route once to and returning from each regular or special session of the Legislature.

If the amendment is adopted, this portion of Section 7, Article III would be changed to read:

. . . Each member of the Legislature shall receive a salary of not to exceed four hundred dollars per month during the term of his or her office. In addition to his or her salary, each member shall ~~receive an amount equal to his actual expenses in traveling by the most usual route once to and returning from each regular or special session of the Legislature~~ be reimbursed for his or her actual expenses reasonably and necessarily incurred in the performance of his or her duties.

The intent of the proposal is to provide for reimbursement of expenses reasonably and necessarily incurred by members of the Legislature. At present, members are reimbursed only for expenses incurred in making one round trip from their permanent residence to each regular or special session of the Legislature.

Proponents make the following arguments:

- \* Some citizens may be discouraged from standing for election to the Legislature because financial remuneration is inadequate.

- \* Compensation for members of the Legislature has not kept pace with personal earnings elsewhere in the state's economy. The problem has been exacerbated by general price inflation in recent years.

- \* The proposed amendment would not increase members' salaries. It would simply provide for reimbursement of expenses incurred while participating in Legislative activities.

- \* Expenses incurred while away from home by salaried workers in other professions are usually reimbursed.

Opponents make the following arguments:

- \* There is status associated with being a member of the Legislature. Thus, financial compensation need not be as high as it otherwise would be.

- \* Increasing remuneration to members of the Legislature should not be approved during difficult economic times.



\* Members of the Legislature have sufficient alternative sources of income without increasing the remuneration for service in the Legislature.

Proposed Amendment No. 5

AUTHORIZE REVENUE BONDS FOR CONSTRUCTION OF WATER  
RETENTION AND IMPOUNDMENT STRUCTURES

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A vote FOR this proposal will provide that when the Legislature determines by a vote of three-fifths (3/5) of the elected members that the construction of water retention and impoundment structures for the conservation and management of water resources will promote the general welfare, it may authorize the issuance of revenue bonds for such construction (as it may now do for highway construction under the same procedure) and may pledge state revenue received from the use of such structures to pay the interest and retirement of the bonds.

A vote AGAINST this proposal will not permit the Legislature to issue revenue bonds for the construction of water retention and impoundment structures under the conditions and procedures set forth above.

☐

For

☐

Against

Constitutional amendment to authorize the issuance of revenue bonds for the construction of water retention or impoundment structures for the purpose of water management and conservation.

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This proposed amendment applies to Section 1, of Article XIII (State, County and Municipal Indebtedness). In part the section currently reads as follows:

. . . Provided, that if the Legislature determines by a three-fifths vote of the members elected thereto that the need for construction of highways in this state requires such action, it may authorize the issuance of bonds for such construction, and for the payment of the interest and the retirement of such bonds it may pledge any tolls to be received from such highways or it may irrevocably pledge for the term of the bonds all or a part of any state revenue closely related to the use of such highways, such as motor vehicle fuel taxes or motor vehicle license fees;



If the amendment is adopted, this portion of Section 1, Article XIII would be changed to read:

Provided, that if the Legislature determines by a three-fifths vote of the members elected thereto that (1) the need for construction of highways in this state requires such action, it may authorize the issuance of bonds for such construction, and for the payment of the interest and the retirement of such bonds it may pledge any tolls to be received from such highways or it may irrevocably pledge for the term of the bonds all or a part of any state revenue closely related to the use of such highways, such as motor vehicle fuel taxes or motor vehicle license fees and (2) the construction of water retention and impoundment structures for the purposes of water conservation and management will promote the general welfare of the state, it may authorize the issuance of revenue bonds for such construction, and for the payment of the interest and the retirement of such bonds it may pledge all or any part of any state revenue derived from the use of such structures.

The intent of the proposed amendment is to allow for the issuance of revenue bonds to construct water retention and impoundment structures for the purpose of water management and conservation.

Proponents make the following arguments:

- \* Water is an important resource and every effort should be made to properly manage its use.

- \* The state currently loses much surface water because there are not enough structures to collect and retain such water.

- \* The State of Nebraska's direct contribution to water resources development has been rather limited in the past when compared to the contribution of the federal government. However, the era of substantial federal involvement in water conservation and development may be over.

Opponents may argue as follows:

- \* Financing for only part of the cost of needed water projects could come from revenue bonds. Some front-end financing would be necessary so that a project could begin generating revenue for paying off the revenue bonds. Taxpayers would likely have to subsidize this additional financing.

- \* Direct benefits from water projects tend to be limited to relatively few users.



\* Improved water conservation practices by individual citizens would circumvent the need for at least some publicly-supported projects.

Initiative Ordered by Petition of the People #300

PROHIBIT PURCHASE OF NEBRASKA FARMLAND BY NON-FAMILY CORPORATIONS

A vote FOR will create a constitutional prohibition against further purchase of Nebraska farm and ranch lands by any corporation or syndicate other than a Nebraska family farm corporation.

A vote AGAINST will reject such a constitutional restriction on ownership of Nebraska farm and ranch land.

<input type="checkbox"/>	For	Shall a constitutional prohibition be created prohibiting ownership of Nebraska farm or ranch land by any corporation, domestic or foreign, which is not a Nebraska family farm corporation, or by any syndicate as defined, with certain exceptions?
<input type="checkbox"/>	Against	A family corporation would be defined in part as a corporation in which the majority of the voting stock is held by members of a family related to one another within the fourth degree of kindred or their spouses and where at least one member of the family resides on the land and where none of the family members are nonresident aliens.

The amendment would be incorporated in the State Constitution as Section 8 of Article XII (Miscellaneous Corporations). The full text of the amendment is as follows:

Sec. 8 (1) No corporation or syndicate shall acquire, or otherwise obtain an interest, whether legal, beneficial, or otherwise, in any title to real estate used for farming or ranching in this state, or engage in farming or ranching.

Corporation shall mean any corporation organized under the laws of any state of the United States or any country or any partnership of which such corporation is a partner.

Farming or ranching shall mean (i) the cultivation of land for the production of agricultural crops, fruit, or other horticultural products, or (ii) the ownership, keeping or feeding of animals for the production of live-stock or livestock products.

Syndicate shall mean any limited partnership organized under the laws of any state of the United States or any country, other than limited partnerships in which the partners are members of a family, or a trust created for the benefit of a member of that family, related to one another within the fourth degree of kindred according to



the rules of civil law, or their spouses, at least one of whom is a person residing on or actively engaged in the day to day labor and management of the farm or ranch, and none of whom are non-resident aliens. This shall not include general partnerships.

These restrictions shall not apply to:

(A) A family farm or ranch corporation. Family farm or ranch corporation shall mean a corporation engaged in farming or ranching or the ownership of agricultural land, in which the majority of the voting stock is held by members of a family, or a trust created for the benefit of a member of that family, related to one another within the fourth degree of kindred according to the rules of civil law, or their spouses, at least one of whom is a person residing on or actively engaged in the day to day labor and management of the farm or ranch and none of whose stockholders are nonresident aliens and none of whose stockholders are corporations or partnerships, unless all of the stockholders or partners of such entities are persons related within the fourth degree of kindred to the majority of stockholders in the family farm corporation.

These restrictions shall not apply to:

(B) Non-profit corporations.

These restrictions shall not apply to:

(C) Nebraska Indian tribal corporations.

These restrictions shall not apply to:

(D) Agricultural land, which, as of the effective date of this Act, is being farmed or ranched, or which is owned or leased, or in which there is a legal or beneficial interest in title directly or indirectly owned, acquired, or obtained by a corporation or syndicate, so long as such land or other interest in title shall be held in continuous ownership or under continuous lease by the same such corporation or syndicate, and including such additional ownership or leasehold as is reasonably necessary to meet the requirements of pollution control regulations. For the purposes of this exemption, land purchased on a contract signed as of the effective date of this amendment, shall be considered as owned on the effective date of this amendment.

These restrictions shall not apply to:

(E) A farm or ranch operated for research or experimental purposes, if any commercial sales from such farm or ranch are only incidental to the research or experimental objectives of the corporation or syndicate.

These restrictions shall not apply to:

(F) Agricultural land operated by a corporation for the purpose of raising poultry.

These restrictions shall not apply to:



(G) Land leases by alfalfa processors for the production of alfalfa.

These restrictions shall not apply to:

(H) Agriculture land operated for the purpose of growing seed, nursery plants, or sod.

These restrictions shall not apply to:

(I) Mineral rights on agricultural land.

These restrictions shall not apply to:

(J) Agricultural land acquired or leased by a corporation or syndicate for immediate or potential use for nonfarming or nonranching purposes. A corporation or syndicate may hold such agricultural land in such acreage as may be necessary to its nonfarm or nonranch business operation, but pending the development of such agricultural land for nonfarm or nonranch purposes, not to exceed a period of five years, such land may not be used for farming or ranching except under lease to a family farm or ranch corporation or a non-syndicate and non-corporate farm or ranch.

These restrictions shall not apply to:

(K) Agricultural lands or livestock acquired by a corporation or syndicate by process of law in the collection of debts, or by any procedures for the enforcement of a lien, encumbrance, or claim thereon, whether created by mortgage or otherwise. Any lands so acquired shall be disposed of within a period of five years and shall not be used for farming or ranching prior to being disposed of, except under a lease to a family farm or ranch corporation or a non-syndicate and non-corporate farm or ranch.

These restrictions shall not apply to:

(L) A bona fide encumbrance taken for purposes of security.

These restrictions shall not apply to:

(M) Custom spraying, fertilizing, or harvesting.

These restrictions shall not apply to:

(N) Livestock futures contracts, livestock purchased for slaughter, or livestock purchased and resold within two weeks.

If a family farm corporation, which has qualified under all the requirements of a family farm or ranch corporation, ceases to meet the defined criteria, it shall have fifty years, if the ownership of the majority of the stock of such corporation continues to be held by persons related to one another within the fourth degree of kindred or their spouses, and their landholdings are not increased, to either requalify as a family farm corporation or dissolve and return to personal ownership.

The Secretary of State shall monitor corporate and syndicate agricultural land purchases and corporate and syndicate farming and ranching operations, and notify



the Attorney General of any possible violations. If the Attorney General has reason to believe that a corporation or syndicate is violating this amendment, he or she shall commence an action in district court to enjoin any pending illegal land purchase, or livestock operation, or to force divestiture of land held in violation of this amendment. The court shall order any land held in violation of this amendment to be divested within two years. If land so ordered by the court has not been divested within two years, the court shall declare the land escheated to the State of Nebraska.

If the Secretary of State or Attorney General fails to perform his or her duties as directed by this amendment, Nebraska citizens and entities shall have standing in district court to seek enforcement.

The Nebraska Legislature may enact, by general law, further restrictions prohibiting certain agricultural operations that the legislature deems contrary to the intent of this section.

This intent of the proposed amendment is to create a constitutional prohibition against further purchase of Nebraska farm and ranch lands by any corporation or syndicate other than a Nebraska family farm corporation.

Proponents make the following arguments:

- \* Family farms are generally of sufficient size to reach maximum economic efficiency in production.

- \* Family farms provide desirable social and political benefits to society.

- \* Family farms are more likely to make decisions on the basis of the long-term sustainability of agriculture, not short-term tax considerations.

- \* Eight other states, all of which are in this region of the country, already have laws to protect family farms.

- \* This issue has been before the Legislature many times, but with no positive results. Supporters have concluded that the only way to accomplish the desired result is through a constitutional amendment.

- \* Corporations do not die in the same sense people do. Therefore, concentration of land ownership could grow over a long period of time unless this amendment is approved.

Opponents make the following arguments:

\* The constitution ought to be a "political document," not an "economic document" that attempts to regulate the activities of buyers and sellers.

\* The proposed amendment may be in conflict with other parts of the Nebraska Constitution or the U.S. Constitution. If, for example, the amendment is found to treat individual citizens differently, it may violate the equal protection clause of the U.S. Constitution.

\* Other states have not altered their constitutions when dealing with this issue; instead, it's been done by statute. The latter would be much easier to amend than a state constitution.

\* The proposed amendment would restrict the number of buyers for those wishing to sell farm real estate.

\* The "power" of other farm business arrangements (e.g., individual proprietorships or partnerships) may not differ from non-family corporations or syndicates.

\* The greatest threat to family farms is the general economic environment for production agriculture, not non-family corporations and syndicates.