

AUG 29 1983

Title 97 - Board of Educational Lands and Funds  
Chapter 3 - LEASING OF AGRICULTURAL LANDS

001 General. The Board will grant all types of leases.

002 Form. The lease application and agreement form as adopted, and which is subject to amendment or supplementation will be set out in Appendix A of these rules. Said lease application and agreement form will hereinafter be referred to as the lease.

003 Information Contained. The lease must be executed under oath by the applicant, or his authorized agent or attorney, or an authorized officer or agent of a corporation.

004 Notice of Sale. Notice of Educational Lands Lease Sales will be published in a newspaper of general circulation in the county where the land to be leased is located for three consecutive weeks prior to the sale.

005 Location of Sale. Sale of Educational Lands Leases will be conducted by an authorized representative of the Board of Educational Lands and Funds at the county courthouse or other suitable location in the county in which the land is being offered.

006 Bidder Eligibility. Any person who is eligible to make a contract in accordance with Nebraska Laws is eligible to bid on school land leases with the following exception: no lessee or former lessee who owes any delinquent rental shall be eligible to bid on a lease unless such delinquent rental, interest, and fees are first paid in full.

007 Territorial Limit. No individual, partnership or corporation shall be entitled to hold under lease a total of more than 640 acres of state educational land, whether the same be acquired by direct lease or by assignment; provided, said limitation shall not apply where the land to be leased is bound entirely on one side thereof by land owned or operated by such applicant or assignees.

008 Sale Procedures. An authorized representative of the Board of Educational Lands and Funds will be in charge of all school land lease sales. Before an individual may bid on a tract being offered for sale, he must file a bank draft, cashier's check, certified check or cash equivalent to the annual rental of said tract. This may be accomplished by depositing said security with the County Treasurer or a representative

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of the Board of Educational Lands and Funds who is conducting the sale. The rental deposit may be submitted at the time prior to the final fall of the gavel. Said rental deposit shall be applied on the first year's annual rental upon acceptance of the bid by the Board. In the event such deposit is in excess of the first year's annual rental, the bidder shall be given an opportunity to substitute a bank draft, cashier's check, certified check or cash equivalent to the annual rental of the subject tract.

009 Bidding Procedures. A bidder may move a rental deposit from one tract to another as long as the unencumbered portion of said deposit is equivalent to or in excess of the annual rental of the tract presently receiving bids.

010 Bidding; Recess. The representative of the Board of Educational Lands and Funds in charge of the lease sale may, at his option, declare a recess during the bidding of a tract of land being offered for lease.

011 Board Approval. All sales of educational land at public auction are considered to be non-revocable offers, which only upon acceptance and approval by the Board of Educational Lands and Funds, meeting in regular session, shall become binding contracts.

012 Past Due Rental; Interest Provision And Processing Fee. All rental payments are due semi-annually in the office of the Board of Educational Lands and Funds on or before the first day of January for the ensuing six-month period, and, on or before the first day of July for that ensuing six-month period. Interest at an annual rate of nine percent (9%) shall be charged on any past due balance and a processing fee of twenty-five dollars (\$25.00) shall be charged if any rental is past due more than thirty (30) days.

013 Delinquent Rental; Fees. With respect to delinquent rental, the following fees shall be charged: for notice of delinquent account, three dollars (\$3.00); for forfeiture processing, two hundred dollars (\$200.00); for reinstatement of account, if redemption is made prior to the date when notice of publication is made, five dollars (\$5.00).

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014 Post-Sale Pre-Confirmation Bid For Lease Auction. In order to obtain the best possible price for the utilization of school lands and to be in compliance with Nebraska Supreme Court decisions including State ex. rel. Raitt v. Peterson, 156 Neb. 678, 57 NW2d 280, the Board will accept post-sale pre-confirmation bids for lease auctions so long as said bids conform with the following requisites. Any person wishing to submit a post-sale pre-confirmation bid in excess of the highest bid made at the public auction must submit with such bid (1) a certified check, bank money order, or cashier's check in the full amount of the sum of (a) One Thousand Dollars (\$1,000.00) or One Hundred Twenty Percent (120%) of the previous high bonus bid, whichever is greater, which amount shall be the opening bonus bid at the second sale, and (b) the full amount of the annual rental for the tract involved; and (2) a certified check, bank money order, or cashier's check in the amount of \$500.00 representing a fixed amount as fair compensation for holding a second sale. The \$500.00 fee for holding a second sale shall be deposited in the Temporary School Fund and will not be refunded regardless of who shall eventually be the successful bidder. In the absence of unusual circumstances, which shall be determined solely by the Board, not more than one post-sale pre-confirmation bid shall be accepted on any one tract.

015 Certifying Cropland Acres To the ASCS. Lessees shall certify to the Agricultural Stabilization and Conservation Service of the United States Department of Agriculture (the ASCS) all cropland acres on educational land. Such certifications shall cover all cropland acres, including those deferred, set aside or otherwise idle; shall be submitted to the ASCS at least annually, and more frequently if required by the ASCS; and shall be maintained with the ASCS in current status at all times.

Chapter 3 (001-015) Sec. 72-232 Nebr. Rev. Stat.

**APPROVED**  
DON STENBERG  
ATTORNEY GENERAL

SEP 20 1999  
BY *[Signature]*  
Assistant Attorney General

**APPROVED**

SEP 27 1999

*[Signature]*  
MIKE SCHANNIG  
GOVERNOR

FILED	
SEP 28 1999	
By <i>[Signature]</i>	SECRETARY OF STATE