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LB 271

SENATOR BOHLKE: Mr. President and members, sorry, I was having a conversation with Senator Wickersham and he thought that he had spoken three times and I wanted to have the opportunity for all of us to be clear on a couple of points once again so we may...I may be asking you questions you feel you've already answered, Senator Wickersham, but there's been a lot of conversation as to what this does and what it doesn't do. As I understand right now as far as school lands and funds, that that is taken care of in specific statute currently in law and so that is no longer a concern. But setting that aside, if that's true, we still come back to the issue about the impact on schools and that this for public use and health does not include schools. The Landis amendment still does not...has a negative impact possibly on schools. Would you respond to that, please.

SENATOR CUDABACK: You respond, Senator Wickersham?

SENATOR WICKERSHAM: All right. There are...this is a little bit of work that you have to do here, but there is a constitutional provision that allows the Board of Educational Lands and Funds to pay administrative costs. That same constitutional provision has language in it that says that the funds that are held by the Board of Educational Lands and Funds can be used exclusively for...have to be used exclusively for schools. Now in the past, that section has allowed, there's an old, relatively old Supreme Court case, has allowed in lieu of tax to be paid by the Board of Educational Lands and Funds as an administrative cost. You'd find the provisions for that in lieu of tax in 79-1036. That in lieu of tax paid by the Board of Educational Lands and Funds as an administrative cost has been paid only to schools because, remember, there was a constitutional provision that said you could only pay out those dollars to schools. They paid on the school levy applied to a value that was developed by the Board of Educational Lands and Funds, not assessed value. That was the current...that was the structure before we passed the constitution...before the people passed the constitutional amendment. And then we were authorized to classify and exempt from taxation property used for...if it was used for a public purpose or it wasn't used for a public purpose, we could subject it to taxation or in lieu of taxes. Board of educational folks, representatives, came and testified in front of the committee, they proposed an amendment.