

ONE HUNDRED FIRST LEGISLATURE - FIRST SESSION - 2009
COMMITTEE STATEMENT
LB53

Hearing Date: Thursday January 22, 2009
Committee On: Natural Resources
Introducer: Fischer
One Liner: Change provisions relating to formation, territory, and the operating area of public power districts

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye: 8 Senators Carlson, Cook, Dubas, Fischer, Haar, Langemeier, McCoy, Schilz
Nay:
Absent:
Present Not Voting:

Proponents:

Senator Deb Fischer
John McClure
Dennis Rasmussen
Tom Richards
Rick Nelson

Neal Suess
Larry Umberger

Gary Hedman

Representing:

Introducer
Nebraska Public Power District
Nebraska Public Power District
Omaha Public Power District
Nebraska Rural Electric Association, Custer Public Power District, Nebraska Generation and Transmission Loup River Public Power District
Nebraska Rural Electric Association, Midwest Electric Cooperative Corporation
Southern Public Power District

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB 53 changes the structure of and representation from chartered territories of a public power district by eliminating rules that apply to only one public power district. Currently, two sets of rules apply for chartered territories-one for districts operating in 50 counties or less, and the other for districts operating in more than 50 counties. The bill would make one set of statutory provisions applicable to all public power districts, and would require that municipalities purchase 50 percent of their wholesale annual energy from a public power district in order to be included in the chartered territory of the supplying district.

DETAILS:

Section 1 amends 70-603, relating to public power and irrigation districts, by eliminating the language that contains the method of determining chartered territory boundaries.

Section 2 amends 70-604.01, relating to chartered territory boundaries, by eliminating the "fifty counties or less"

requirements under which districts have discretion to determine their chartered territories.

Section 3 amends 70-604.02, relating to the definition of an operating area, by adding a requirement that a district's power contract constitutes 50 percent or more of the purchasing utility's energy requirements.

Section 4 amends 70-604.05, relating to a district's failure to comply with the provisions of this chapter, by adding the requirement that penalties collected be remitted to the State Treasurer for distribution in accordance with the state constitution. Article VII, section 5 provides for local distribution of fines.

Section 5 amends 70-681, relating to the treatment of existing district directors, by grandfathering in districts that exist on the effective date of this act to be in compliance with the law, and eliminating the grandfather date of July 17, 1986.

Section 6 repeals the original sections.

Chris Langemeier, Chairperson