

the Nebraska Citys, the Columbuses, from an orderly growth and picking up those customers. The question is in terms if you've got an inset structure already, how do you provide for the orderly transfer of that kind of equipment and that kind of capital outlay that's already there? If you go in and you take something...the bill, the major part of the bill is saying somebody has to determine what's a fair and market value, what's a fair and equitable way to solve the problem...

SENATOR DWORAK: Okay, Senator Lewis, I don't want it debated, and I appreciate what you've said, but you do lead to the next... my big problem, is the capital outlay and the equipment. As the one entity starts building up capital outlay and equipment in this zoning area, then when annexation occurs, is not this going to be a tremendous financial burden on that city at that point that took all these years for that other entity to build up this capital outlay and equipment? That's specifically my point.

SENATOR LEWIS: Well that's the obligation in terms of any annexation procedure. Certainly, if you've got the bonded indebtedness out there for streets and curbing and guttering, if you're going to move into that area, and you're going to usurp that service, if the city wants it for whatever purposes they want whether it's for increasing their per capita numbers for gas tax, or whatever purposes, they've got to assume that responsibility.

SENATOR DWORAK: So then, we're really, in fact, putting another impediment through build up capital outlay on a city's normal growth, because now if this bill passes, and if cities are precluded from serving these customers, and the service and the capital required for that service is now being paid by the other provider of the service, or the rural in most instances, then the city, when they decide to annex this not only are going to have to look at the things you've mentioned, the roads, the streets, the sewers, the water, but now they're going to have this additional power capital outlay requirement in annexation. Is that correct, Senator Lewis?

SENATOR LEWIS: Which is absolutely not inconsistent with how we've handled problems in terms of transfer of authority, particularly in the field of electricity. If you look at the city of Bellevue, they still have the full option to buy out their proportionate share of OPPD that this Legislature passed once, but you've got to...if somebody owns something, some system owns something, you can't come in and simply say because we're a city, we don't have any responsibility in terms of picking it up from you. That doesn't make sense, but again I'm using your time.