

March 25, 1981

LB 311

SPEAKER MARVEL: Now we have.....

CLERK: Mr. President, Senator Koch moves to amend the bill. The amendment is found on page 997 of the Journal.

SPEAKER MARVEL: Chair recognizes Senator Koch.

SENATOR KOCH: Mr. Speaker, members of the body, in case you haven't followed the amendment as recorded in the Journal, I will briefly state the purpose of it. We all know that other utilities pay in lieu of taxes in replacement of real property taxes to the very subdivisions of government that they serve. There is something that I want to bring to your attention. I respect those members who serve on the board of directors and I agree with Senator Kremer, they do spend hours and they do take criticism. However recently the board of directors of MUD saw fit, for the first time in their history, to charge certain subdivisions of government for the water that they are using. I think that is rather interesting. So what I am proposing to do is to cause MUD, which is created by us, to pay in lieu of taxes to those subdivisions of government presently outside of that parameter, which means that there are customers outside of the normal City of Omaha and others who use MUD water and presently are receiving nothing in return. In this case I will be very specific. MUD board of directors recently saw fit to charge the public schools of that area for the water they consume. I think that if that is the way they want to play the ball game then that we should look at this MUD and Senator Stoney stated that they have over ninety million dollars of revenue that like OPPD and others that they pay to various subdivisions of government a tax in lieu of property tax and I'll support the increase of the board up to \$500 but I do believe that it is time for us to say, if you are going to charge for your water to the schools and others, then, since they are going to have to take it off property tax to pay for it, then you are going to pay them some in lieu of tax to replace the loss of taxes that they are now paying to you. So that is what the amendment is about and it says that they shall take 5% of their revenue and shall be distributed to all subdivisions of government including the county, the various school districts and cities and villages who are presently not receiving some of this revenue. I ask for the adoption of the amendment.

SPEAKER MARVEL: Senator Landis.