

May 14, 1991

LB 829

amendment at this time. Thank you.

SENATOR CONWAY: Thank you, Senator Schellpeper. Senator Labedz.

SENATOR LABEDZ: Thank you, Mr. President. Senator Hall, would you yield to a question, please?

SENATOR HALL: Yes.

SENATOR LABEDZ: I was sitting on the side. Did I hear you say that this amendment would not affect the existing contracts under LB 775?

SENATOR HALL: That is correct, Senator Labedz. What would happen, for all practical purposes, is that the companies that are currently contracting with the state would have to probably file a personal property tax schedule for those items that would be exempt and namely the computer, mainframe computers and the aircraft. If the state attempted to tax them, they would just file a lawsuit for breach of contract and they would win. I mean, frankly, that's just how it would work. What this would do is say that for purposes down the road we are not going to put that property in any different situation than property that we would put back on the tax rolls January 1 of 1992.

SENATOR LABEDZ: Okay, so then the...I read in the newspaper the other day that Data Resources, I believe that's the company that is thinking about building a new business downtown. They would come under the new regulation, but the existing contracts would not.

SENATOR HALL: It would depend on, Senator Labedz, when they contracted, under what conditions they contracted, whether this amendment was adopted or not, but potentially that could happen. That is correct.

SENATOR LABEDZ: Thank you.

SENATOR CONWAY: Thank you, Senator Labedz. Senator Hefner, please.

SENATOR HEFNER: Mr. President and members of the body, I'm going to oppose this amendment because the way the original Hall amendment is drafted, it's true that airplanes and mainline