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LB 271

resulted from discussions that were held this morning with persons who may have more interest in this bill than you do at the moment, but it was designed to clarify, as I've said, language in the bill. It is not intended to change the impact of the committee amendments. It is designed exclusively to be clarifying and simplifying language, and it applies on page 11, Section 8 of the bill. It has to do with that leased property that a governmental subdivision leases to someone else, and it simply says that that property shall be taxed or exempted from taxation as if the real property was owned by the leaseholder. So in that instance, all you do is look to the leaseholder. Remember, I said you make a choice here. You may have property that's owned by a governmental entity, but if they lease it to somebody else that would be exempt, let's say they lease it to another governmental entity, or they lease it to a charitable organization, and the use that that other governmental entity or that charity makes would be exempt, then it should be exempt from tax. What the amendment says is, okay, we'll just treat that leased property as though it was owned by that other person, other entity, whatever it is, that might be exempt. If it's exempt use that they would make of the property, it's exempt. On the other hand, if it isn't, it's subject to tax and that the value of the property is determined like the value of any other property and then the final component is that whatever tax is assessed against that value is paid by the leaseholder, not the basic governmental entity that owns the property. It would be paid by the leaseholder and be a lien against the leaseholder's interest. So that's the amendment. It's intended to be clarifying language. I would hope you adopt it. It's relatively brief, if you want to look at it on your machine. I'd be happy to try to respond to questions about that particular provision if you happen to have any.

**SPEAKER KRISTENSE:** Debate on the amendment, Senator Smith.

**SENATOR SMITH:** I guess I rise with some questions, Mr. President and members. I'm a little unclear as to the place of the amendments and so forth, but overall I have some concerns obviously relating to our local airport and the mandates placed on airports around the state by the FAA, and the flyway and some clearance around the runways, and there are...we have approximately 500 acres at our county airport that in this case,