

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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you are able to review the little checklist that we have set out in front of you. I would suggest that there are two other policy considerations that you want to examine in the framework of this bill; that is the issue of governments competing with private enterprise through the use of governmental properties. This bill is in part designed to make sure that when government does that, begins to act like a private person, look like a private person, that it competes on the same basis as a private person does, that it pays taxes. It's subject to the same costs; it's subject to those issues. The other issue, I think, that is there, it is a little bit more complex and, perhaps, it will be brought up in the context of amendments that may be offered by Senator Smith, but that is the issue of shifting tax burdens. Every time you exempt property from taxation, someone pays more because you reduce the valuation base that a levy is applied to, and you shift taxes. Now the most pronounced area in which you will find that is...

SENATOR CUDABACK: One minute.

SENATOR WICKERSHAM: ...with the multicounty taxing authorities, and if you want a diagram or an explanation of what can happen, we may pass that out later. But two things I think you should keep in the back of your mind. Do you want government to be on the same playing field in terms of cost and taxes when it begins to look like a private individual, and maybe compete with private enterprise? And, secondly, do you want governmental property to always be exempted because you know that when it's always exempted that it shifts tax burdens because it takes property out of the valuation base and sometimes people who have very little contact, very little relationship, very little interest in a specific enterprise that is exempted pays taxes that are higher than they would have been if that property had been on the tax rolls. Those are the two things I wish you would keep in the back of your mind as this issue is discussed. It is to, in part, address those two issues.

SENATOR CUDABACK: Thank you, Senator Wickersham. Mr. Clerk.

CLERK: Mr. President, Senator Wickersham has the next amendment to the committee amendments but he wants to withdraw 1168 and ask unanimous consent to substitute AM1204. (AM1204,