

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
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carries out a public purpose...would have to be at fair market value. And if it isn't for fair market value, then even that lease becomes subject to tax. This is an incentive to cause political subdivisions to lease at full fair market value and not compete with the private sector, even when they're carrying out a public purpose with their lease. So this...the additional language that you see about fair market value on line 17 of the amendment is designed to produce an incentive to, even when you're carrying out a public purpose with governmental property, to lease at full market...full fair market value, because if you don't, then that lease becomes subject to tax. So those are the parts of the amendment, and I hope that that explanation gives you enough to consider it. But if there are questions, I'll certainly try to respond to them. In part, I would say that the amendment is comfort language. In part, it is substantive, particularly in the area of having a lease, even though the lease is for a public purpose, requiring that lease to be at fair market value.

PRESIDENT MAURSTAD: Thank you, Senator Wickersham. I'd like to announce that the doctor of the day is Dr. Bruce Gfeller. He's under the north balcony. Doctor, we appreciate your service in being here today. (Applause) Mr. Clerk.

CLERK: Mr. President, Senator Kristensen would move to amend Senator Wickersham's amendment by striking "January 1" and inserting "January 2". (Fall 4, Legislative Journal page 1686.)

PRESIDENT MAURSTAD: Senator Kristensen.

SPEAKER KRISTENSEN: Thank you, Mr. President, members of the Legislature. I...if you listened, the Clerk read in its entirety, as accurately as he could, the amendment. And I do change the date, the operative date, from January 1 to January 2. That may seem trivial, but that is very, very big. That's a huge change, and I'll tell you why, is that the assessment of property occurs on the first day of January. Property you own as of January 1 that year is the property that's going to occur. The move, if you put it to January 2, in effect is a delay of this, of the operative provisions. The bill becomes law, becomes effective, but it does not become operative until the second day of January, which means that for