

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE  
Transcriber's Office

May 11, 1999

LB 105

authorities to receive federal funds, or even for them to continue to manage property that was originally paid for with federal funds. And I will quote: Every contract for contributions with respect to a low-income housing project shall provide that no contributions by the secretary shall be made available for such project unless such project, exclusive of any portion thereof which is not assisted by contributions under this chapter...and that is the part that allows for taxation of the private part in a public-private partnership...that such project is exempt from all real and personal property taxes levied or imposed by the state, city, county, or other political subdivisions, and such contract shall require the public housing agency to make...

PRESIDENT MAURSTAD: One minute.

SENATOR BROWN: ...payments in lieu of taxes equal to 10 percent of the sum of the shelter rents charged in each such project. And it goes on to say that if this provision is not...if the provision of tax exemption is not upheld then, under the proposed Nebraska legislation, low-income housing projects would be taxed for any improvements to its real and personal property which was not used solely to provide housing for persons of eligible income or...and qualifying tenants. This could result in the loss of payments by the Department of Housing and Urban Development of annual contributions for the projects. And so it is, in my opinion, especially critical that we address, in a way that I believe differently than the committee amendments address, the whole issue of tax exemption and the provision that...

PRESIDENT MAURSTAD: Time.

SENATOR BROWN: ...the private part can be taxed. Thank you.

PRESIDENT MAURSTAD: Senator Hartnett, for what purpose do you rise?

SENATOR HARTNETT: I would like to have a division of the amendment; taxation in one, local authority in the other one, in other part of it, and then the rest of it in the other, that's in the bill, be treated in that way. The taxation...I think