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LB 105, 271

you're doing. If it is "a charitable purpose", then you get the exemption; if it isn't, you don't. But to say that whether 50 percent of your revenues are from tenants, as opposed to 50 percent of your revenues being from outside sources, and whether that makes it into a public purpose or not I'm not prepared to declare that as a matter of record. I think that will be done on a case-by-case basis. But the ultimate test will be whether it relates to a public purpose.

SENATOR SMITH: Okay, thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Smith. Senator Wickersham, your light is next.

SENATOR WICKERSHAM: Thank you, Mr. President. As indicated in a brief response to Senator Beutler's question, I indicated that I believe that this portion of Senator Brown's amendment should not be adopted because it is inconsistent, in several respects, with the provisions of LB 271 as they currently stand on Select File. And I will reiterate again that I believe that LB 271 presents to us a good and appropriate structure to evaluate whether or not properties that are owned by a governmental entity should or should not be exempt from taxation or, in a more limited case, whether or not they should be allowed to pay an in lieu of tax. And the situation that's presented with the housing authorities is not unlike that situation that's presented with regard to some of the airport authorities. There are federal restrictions that apply, and so you, in all events, have to be able to work around those federal restrictions. I think the principles that are embedded in 271 work around those federal restrictions, and in fact the federal restrictions for housing authorities may be less burdensome than the ones that are applicable to airport authorities. At any rate, in particular there are difficulties with subsection (2) of Section 20, as submitted to you by Senator Brown. And I think it is those difficulties that she was making reference to in terms of requiring an amendment to this provision. One of them is the language on lines 13 and 14 that catches only the property that's leased to an individual entity which engages in commercial activities on a for-profit basis. That may be something other than the test that is embodied in LB 271. The test that's embodied in LB 271, if it's leased to somebody and