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LB 271

we opined on this score. We went a little further. We said, all lease arrangements authorized by this section shall be made for the purpose of paying a portion of the costs associated with satellite capacity, replacement, and digital conversion. All lease arrangements shall be based on sound business principles that are made in the best interest of the state of Nebraska. Well, there is no state interest in these transponder excess capacity contracts except one, and that public purpose is to support paying for a state asset. What this amendment suggests is that we do the same thing with property held by a political subdivision in which, when they sell it to the community in the form of a lease, that we get some money to run the airport authority, or run that political subdivision, and at the same time I'm suggesting we also get payments in lieu of taxes.

SENATOR CUDABACK: One minute.

SENATOR LANDIS: But we don't go to the full taxation option, which means that we don't send at least some political subdivisions running for a way to find a way to exempt all this property. That's the amendment. I ask for its adoption.

SENATOR CUDABACK: Thank you, Senator Landis. We are now discussing the Landis amendment, 1492, to LB 271. Senator Smith.

SENATOR SMITH: Thank you, Mr. President, members. I think we've had some terrific discussion on this bill, and I think we can even make the bill a little better with this amendment. As a result, I rise in favor of this amendment, and let me tell you why. The voters last November voted in favor of Amendment No. 2, Part C. And let me read to you a brief portion of that ballot measure. "A vote FOR this proposal will amend section 2 of Article VIII (the Revenue Article) by providing that the property of the state and its governmental subdivisions shall remain exempt from taxation to the extent it is used for authorized public purposes; to the extent this property is not used for such purposes, the Legislature may classify it, exempt such classes, or authorize some of all of it subject to property taxes or in lieu of property tax payments, except as provided by law." I think it is our responsibility to come up with policy that prevents litigation, because we can hold down costs