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

April 4, 2006 LB 1249

Aquila and Kinder Morgan, one lobbyist supporting it, and everybody in the body is getting up saying how we need to do it this year, we need to resolve it this year. Where's the problem? If you want to change the law, in my mind, anyway, you have got to articulate a reason to change the law. That reason has not been articulated.

SENATOR CUDABACK: Thank you, Senator Bourne. On with discussion. Senator Jensen, followed by Senator Smith. Senator Jensen, is he on the...

SENATOR JENSEN: Thank you, Mr. President, members of the Legislature. And I have to admit that I do have a bias when I speak, and I do think about Senator Synowiecki and what he was saying, and I think there is a difference in cost. Now I was a builder, developer, and also formed about five SIDs in my past, and so had a lot of dealings with various utilities districts. And certainly, there is an issue. When you deal with MUD, you're dealing both on water and gas, and that makes a big difference when you have a raw piece of ground out there, and you're trying to get services in there so that you can start to build homes, which go on the tax rolls. But if I had to deal with MUD on water and then had to deal with Aquila on gas, you got a little different situation. First of all, there's a lot of expense, lot of capital costs, in putting water in; not quite as much for gas. But the return on gas is much higher than it is on water. When you put the two together, I think you have, perhaps, a reduction in costs. That's meaningful to me as a developer. That's meaningful to everyone when they buy lots and buy houses. So I have a concern about that, and I do hope that we don't shoot ourselves in the foot here and come up with a system that is going to be more expensive and less flexible than what we have today. In eastern Nebraska, development is growing very well, and it's bringing a lot of economy to the community. Certainly home building, which might be a little slower right now, is still one of the engines that's driving the economy, and we've been able to service individuals and service their needs. I in the past, I can't argue with the service that MUD has supplied, and when we start saying where they go can and where they can't, I think we're taking away some of the free enterprise system right there. So I don't believe that I can