

ONE HUNDRED EIGHTH LEGISLATURE - FIRST SESSION - 2023
COMMITTEE STATEMENT
LB691

Hearing Date: Tuesday February 14, 2023
Committee On: Urban Affairs
Introducer: Linehan
One Liner: Require the city or owner of a fixed rail or streetcar system to pay project-related costs for utilities

Roll Call Vote - Final Committee Action:
Indefinitely postponed

Vote Results:

Aye:	6	Senators Blood, Cavanaugh, J., Day, Hardin, Lowe, McKinney
Nay:		
Absent:		
Present Not Voting:	1	Senator Hunt

Testimony:

Proponents:

Senator Linehan
Megan Benoit
Cole Boyle
David Holtzclaw
Elspeth Hunnicutt
John Cox*

Representing:

District# 39
self
self
self
self
Cox Communication

Opponents:

Jeffrey Jeppson

Representing:

self

Neutral:

Representing:

* ADA Accommodation Written Testimony

Summary of purpose and/or changes:

LB 691 would require the city or its streetcar authority to pay its fixed rail or streetcar system's natural gas and water utilities costs.

Planning and research for a Omaha streetcar began between 2008 and 2009. An advanced conceptual engineering plan was first announced in 2014 and revised in 2018 by Metro Transit, with an estimated cost of \$170 million.

In 2022, a revised plan was announced by Mayor Jean Stothert and the Greater Omaha Chamber of Commerce's Urban Core Committee. The streetcar will be built, operated, and maintained without a property tax rate increase or sales tax increase. It will run on a three-mile route from Cass to Farnam on South 10th Street, Farnam west to 42nd Street, and back to 10th Street on Harney. The streetcar is expected to be operational in 2026, and free for all riders.

Of concern here is the \$20.5 million utility line relation and reinforcement needed to enable a safe downtown-to-midtown route. The Metropolitan Utilities District (MUD) has resisted contributing any more than \$4.2 million, saying a higher amount risks a rate hike across its four-county customer base or a delay in scheduled utility work for neighborhoods with older pipes and greater needs.

Section 1 amends 14-3,109 to provide a section that would require the natural gas and water utilities costs for a fixed rail or streetcar system be covered by the city in which the rail or streetcar system is located.

Section 2 of the bill repeals the original section.

Potential Testifiers:

Rick Kubat, Metropolitan Utilities District will likely testify.

Technical Comments:

N/A

Terrell McKinney, Chairperson