

ONE HUNDRED SECOND LEGISLATURE - FIRST SESSION - 2011
COMMITTEE STATEMENT
LB682

Hearing Date: Thursday February 24, 2011
Committee On: Revenue
Introducer: Mello
One Liner: Adopt the Major Gas, Water, and Sewer Infrastructure Improvement and Replacement Assistance Act

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:
Aye: 5 Senators Cornett, Hadley, Louden, Pankonin, Pirsch
Nay:
Absent:
Present Not Voting: 3 Senators Adams, Fischer, Utter

Proponents:
Sen. Heath Mello
Lynn Rex
Jim Suttle
Marty Grate
Doug Clark
Rhonda Chantry
Ervin Portis
Greg MacLean
Dan Hoins
Julia Plucker

Representing:
Introducer
League of NE Municipalities
Mayor of Omaha
City of Omaha
Metropolitan Utilities Dist.
Metropolitan Utilities Dist.
City of Plattsmouth
City of Lincoln
United Cities of Sarpy County
Omaha Assoc. for a More Competitive Business
Envrmt.

Opponents:

Representing:

Neutral:
Jill Becker

Representing:
Black Hills Energy

Summary of purpose and/or changes:

The bill would create a state assistance program administered by a newly created state board.

The assistance program would be for funding certain types of sewer, water and natural gas infrastructure improvement projects.

The funding for this assistance program would consist of state sales taxes imposed on certain sewer, water and natural infrastructure service charges.

These state sales taxes would be dedicated to this funding assistance program.

Some additional auditing duties are required for the Revenue Department, as they must determine the amounts of state sales taxes collected on certain sewer, water and natural gas infrastructure charges and fees. This amount must be certified and then placed in the newly created fund.

Distribution of the money will be made to any applicants. The amount of assistance provided to a city by the state cannot exceed the amount of state sales tax collected on audited sales tax funds.

The funds may be used to pay bonded debt, or costs incurred in such projects.

Explanation of amendments:

The committee amendments to LB 682 remove references to natural gas and water line replacement projects. They also change "may" to "shall", requiring cities to invest state sales tax turnback only in combined sewer overflow projects, and require cities to use their share of city local option sales tax from combined sewer overflow projects for the same purposes as the state sales tax turnback.

Abbie Cornett, Chairperson