

February 20, 1975

SENATOR KEYES: In other words then, if we could have a sale anytime while they are paying off the bonds, that could be applied against the revenue bonds that were issued against this? I presume when you talk about going to pay off these bonds with the revenue, you're going to use the tax revenue to pay them off. Or were you figuring the tax revenue and the rent of the buildings if the political subdivision owned the buildings?

SENATOR CAVANAUGH: Well the concept is not to have the political subdivision go into private enterprise.

SENATOR KEYES: In other words then, you are just going to provide a space and hope that private industry will come in and develop it. That's much better, because that's what I felt . . . in the bill.

SENATOR BARNETT: Any more discussion of the bill? Senator Bereuter.

SENATOR BEREUTER: Mr. Chairman, colleagues, I rise in strong support of this bill. Here's a bill that makes maximum use of private enterprise for redevelopment purposes. It's a substantial and very important alternative to the urban renewal process. What we're suggesting here is nothing very new. It's being used rather successfully, I should say very successfully, in many other parts of the nation. It's a tool we need in this state. While some of the leadership behind this, including Senator Cavanaugh, has come from the city of Omaha, the techniques behind the constitutional amendment and contemplated by this constitutional amendment are applicable to many parts of the state. Many communities cannot afford to utilize the traditional redevelopment tools that are available through Federal and enabling legislation from the states. Here is a technique they can use. I think it's important to all the state. I urge all the senators to think strongly about supporting this bill. It is progressive, it does involve private enterprise. It provides some solutions to problems we have in this state that have not been provided thus far. Thank you.

(Speaker Burbach presiding)

SPEAKER: The Chair recognizes Senator Duis.

SENATOR DUIS: Mr. President, members of the Legislature, it looks like we're getting into the bond business again. Beings we've had so much discussion about bidding or negotiating, and all sorts of things like that, revenue, general obligation, what have you. Rates of interest going up instead of down and not staying level. I would like to ask a question, if I might, of the introducer of the legislation, Senator Cavanaugh. Senator Cavanaugh, it may be possible, I happened to be out of the room, maybe you might have explained this, if so just tell me so. Might you tell me what type bonds these will be and what would be the method or procedure? Will it be revenue, or how? If they are revenue where would the revenue be derived from?