

April 17, 1975

Mr. President, I move that we recess until 2 o'clock.

PRESIDENT: There is a motion to recess until 2.

CLERK: Mr. President, one more item. I would ask unanimous consent to unbracket 306. Signed, Senator Wiltse.

PRESIDENT: Alright.

CLERK: I move we recess until 2 o'clock.

PRESIDENT: You've heard the motion. All those in favor say aye. Contrary say nay. We are recessed.

RECESS

(mic inactivated)

SENATOR KELLY: . . . because all three of our present projects that are ready to go are under the old financing methods and financing formulas. It appears that in this upcoming session of the Congress they're going to be ready to put some money in them. Thank you.

PRESIDENT: Senator Dickinson.

SENATOR DICKINSON: Mr. President, I don't want to belabor this, but Senator Syas did raise an issue and I want to make crystal clear that there is no parallel. This may be the last time this is ever talked about. Now George will name names between these projects and the Papio project. There's no repayment method. These are, supposed at least, theoretically the money is recouped by the Federal government. There's absolutely no parallel whatsoever. Senator Kelly's exactly right. Any project that is now under consideration by agencies of the Federal government, the Corps of Engineers, and these agencies, can be justified based on an obsolete formula which makes them much easier to justify, whereby new projects in the basic change on the formula is the rate of interest used to amortize the project, which is now 3.25. Any new projects will be 5 7/8 . . . 5.87 1/2. So there is no parallel between these at all. It should really have not been brought up.

PRESIDENT: Senator Frank Lewis.

SENATOR F. LEWIS: I have a question for Bob Murphy.

SENATOR MURPHY: Yes sir.

SENATOR F. LEWIS: Senator Murphy, I have etched in my mind some of the speeches you made about massive Federal funding and deficits. How's this going to effect that?

SENATOR MURPHY: Senator Lewis, the national Congress has yet to make its first mistake in estimating the cost of a project. I think TVA was something like 300 times what it was originally estimated at.