

SPEAKER NICHOL: Senator Schmit.

SENATOR SCHMIT: I have been ignored many times, Senator, Mr. Speaker. Mr. President and members of the Legislature, seriously, this resolution was introduced by myself and I think several others because Mr. Stockman, the guardian of the Exchequer of the federal government has decided that he wants to do away with the present concept of preference power that was established many years ago by the Congress. Here in Nebraska, as you all know, we are, I believe, the only totally public power state in the nation and this goes back to the concepts of TVA days when our former Senator George Norris was very active, of course, in that concept in the establishment of public power throughout the United States, but particularly in Nebraska, and I would just like to point out that when these projects were built, most of them were built before 1958, they were built with low-cost money and low-cost long-term money, 2 1/2 and 3 percent. The projects are paying the original cost plus interest costs that were favorable to those projects. Mr. Stockman's proposal is just simply a fund raising measure for the federal government. It abrogates agreements that were reached and under which we operated for many years. I believe it is important to the State of Nebraska, important to the various entities in which we operate that we reaffirm our position in support of public power. I have not paid a lot of attention to the various concepts but I do have a letter here from the Nebraska Power Association. I think also I heard from the City of Lincoln. The proposal of Mr. Stockman, for example, would raise the rates here in Lincoln by about \$3 million. I have no objection to what Mr. Stockman is trying to do so far as raising money is concerned. What I am saying he is doing is, he is violating original agreements which that should not be allowed. I would ask for your support of the resolution.

SPEAKER NICHOL: Senator Vickers, please.

SENATOR VICKERS: Well, Mr. President and members, very briefly, I would just like to reiterate part of what Senator Schmit has just said but to point out that it was a great Nebraskan, Senator George Norris, whose dream was to create a mechanism whereby a lot of the generation facilities of this nation could be done through hydroelectric facilities owned by the public and the purpose being to have the power