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LB 500

SENATOR LANDIS: (Cough)

SENATOR CHAMBERS: That's not an answer, Senator Landis, which I understood anyway.

SENATOR LANDIS: (Laugh) That is one virtue of it. The use of revenue bonds is a capital-creating mechanism to get a pile of money together to do some action that hopefully relates to the public interest.

SENATOR CHAMBERS: But it doesn't have to be...they don't have to be issued by the county or any of the...

SENATOR LANDIS: Don't have to be, that's right.

SENATOR CHAMBERS: ...other public, so...

SENATOR LANDIS: We have any number...we have industrial bonds, we have any number of revenue kinds of bonds. They are tax-exempt when you buy them if you...you know, or your interest is a...oftentimes they're tax-deductible. I'm not sure if I can say that in every case.

SENATOR CHAMBERS: Who would buy these Cabela's bonds?

SENATOR LANDIS: Understand that there will be an interest attached, and speculators do, local businesses do. It's not uncommon for financial institutions to buy them.

SENATOR CHAMBERS: Who pays the interest?

SENATOR LANDIS: The interest is paid by the issuer of the bond in paying the bonds off. So what will happen is the bonds will be sold. That money will go out to the doing of the project, and then this income stream will pay back the bondholder plus interest.

SENATOR CHAMBERS: And if Cabela's is the bondholder of its own bonds, Cabela's could get the interest? They...