

May 21, 1979

LB 571

PRESIDENT: Well the record will show that he was here.

SENATOR KEYES: I'd like to ask Senator Warner a question.

PRESIDENT: Senator Warner, will you respond?

SENATOR KEYES: Senator Warner, now the bonds that we are going to issue to build...to go for the gasohol plant, is that right? They are going to come out of this penny a gallon gas tax?

SENATOR WARNER: No.

SENATOR KEYES: How will they come about?

SENATOR WARNER: As Senator Schmit has explained, I think, Senator Keyes, numerous times, the fund here is only used as a pledge for the....

SENATOR KEYES: As a factor.

SENATOR WARNER: ...debt service in the event that it is needed, and the principle reason for doing this, of course, is to give some kind of back up so that the issuance of bonds is feasible and the interest rates can be at a level that would make the project possible.

SENATOR KEYES: Now....

SENATOR WARNER: And the...as it has been indicated many times...well, I can suggest I would imagine that the normal route would be used in that when bonds are issued as a normal thing first year payments are escrowed as a part of the total so that there probably would not need to be a draw. Once the plan is operational it should pay for its operation assuming all goes well, and I think it has been indicated many times in all probability the plans may not be used.

SENATOR KEYES: Well, I'm not worried about the plans. I'm concerned that we are going to take this one penny gas tax and put it in a special fund and hold it. Am I to understand that?

SENATOR WARNER: No, what the amendment does, Senator Keyes, it removes that.

SENATOR KEYES: And what is it going to be then? How are you going to arrive at the amount of money that the one