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LB 257

PRESIDENT: The Chair recognizes Senator Higgins.

SENATOR HIGGINS: Mr. Speaker, I would like to ask Senator DeCamp if he would yield to a question or two.

SENATOR DeCAMP: Yes.

SENATOR HIGGINS: Number one, we are going to save how many dollars with this energy program?

SENATOR DeCAMP: Okay, Marge, I used a simple example but let's talk about a twenty, I am going to say a 25% average return for sure the first or second year and as energy prices increase, it is going to be more. How do you get that? You buy a dollar's worth of weatherproofing or insulation or whatever, the energy savings as a result of that are about 30, 20 to 30% a year. If you put the money in the other place where it has been going, you actually decrease, you actually deflate the value of it because it is locked into stuff that is returning a very low amount and so if you put in a million dollars, at the end of the year your million is going to be worth \$850,000, \$840,000, somewhere in there. That is not a profit making deal.

SENATOR HIGGINS: So we are not going to save any money.

SENATOR DeCAMP: Oh, I think we will be saving...you know this is going to sound hilarious but over about a ten year period projected out, you would be saving probably in excess of a billion dollars of property tax money that will be spent heating and cooling your schools of the State of Nebraska.

SENATOR HIGGINS: Is there anything written into the bill then that says that the mill levy has to go down accordingly on real estate tax? You have got nothing in there guaranteeing the taxpayers that this money is going to lower the real estate tax.

SENATOR DeCAMP: Well...

SENATOR HIGGINS: Keeping in mind, John, in Omaha 71% of our real estate tax goes to schools....

SENATOR DeCAMP: I am quite aware of that.

SENATOR HIGGINS: ...so that is why I am most interested in how much my real estate tax is going down.