

May 29, 1981

LB 321

PRESIDENT: The Chair recognizes Senator Kremer.

SENATOR KREMER: Mr. President, I call the question.

PRESIDENT: It won't be necessary, Senator Kremer, because you are the last speaker so...oh, wait a minute, it is too. I have just been advised of a couple lights had come on while I was chatting, so the question has been called for. Do I see five hands? I do. The question is, shall debate cease. All those in favor vote aye, opposed nay. Record the vote.

CLERK: 28 ayes, 4 nays to cease debate, Mr. President.

PRESIDENT: The motion carries and, Senator Warner, will you close on the motion to return.

SENATOR WARNER: Mr. President, members of the Legislature, I appreciate the prudent suggestion of Senator Johnson to withdraw the amendment but I am not going to because the discussion demonstrated exactly what I was trying to say. My amendment does not strike the provisions of 321 as it now stands. It is in addition to. It is impossible, as I said, to talk about the issue of tax exempt bonds every time because the cause for which they are to be issued is the issue that we are all faced with. That is the only thing we are voting for or against and I am suggesting to you as has been attempted time and time again as these have come up, this is a much broader principle that I am concerned with and it is not the purpose of a particular bill but this broad concept of extension of tax exempt bonds for unlimited but worthy purposes as they come to us. I was pointed out that this concept was started in the '50s and that is correct. It was the IDA bonds. I wasn't here then, Senator Koch, but I was opposed to the concept at that time but we were told that if we did it then that that was going to be the great salvation to bring industry in the state just as LB 3 was told this year, the great salvation to bring industry in the state. Virtually all of us are aware that Congress apparently is moving in the direction to put limits on the use of tax exempt bonds. The traditional use that we have had for tax exempt bonds in this country have been for governmental subdivisions. Traditionally it has been recognized that in those cases tax exempt bonds really was reduced taxes to the people who had to pay those bonds off and there was a total different concept of saving taxes by not having to pay taxes on the bonds that were used for public structures. I have a very genuine concern that we begin to expand this concept as we seem to