

ventures in blighted and substandard areas. The proposal is to add to our present IDA bond provisions, industrial development bonds, the opportunity to develop commercial activities. Now commercial activities can be defined and will be defined by this Legislature but some of those can be warehousing. Nebraska is one of those states that because of its location, because of its transportation systems, interstate system, and so forth, has a bright future as a storage place for many of the goods and services moving across the country. In the blighted and substandard areas throughout the state, not just in the City of Omaha, but in other small communities across this state, this financing mechanism can be used to promote this kind of commercial activity. Frankly, with the changes that are being brought about with the new federalism and the cornerstone of the Reagan administration's urban policy being the enterprise zone, the free enterprise zone, this proposal fits very neatly and, in fact, is one of the requirements by the federal government when they consider authorizing and designating enterprise zones. And so I urge this body to advance LB 634 to Select File because it will be another tool to help us revitalize our older communities and add another tool to our arsenal for economic development in the State of Nebraska.

SENATOR LAMB: The Chair recognizes Senator Hefner.

SENATOR HEFNER: Mr. President, members of the body, I would like to ask Senator Newell several questions.

SENATOR NEWELL: Senator Hefner.

SENATOR HEFNER: Yes, Senator Newell, what is your definition of a blighted or a substandard area? Do we spell that out in statutes some place?

SENATOR NEWELL: It is designated under the Community Development Law. Blighted and substandard areas are really defined and would be defined unless the Legislature makes a clarification of that by local communities, Senator Hefner.

SENATOR HEFNER: Okay, then, in other words, if this constitutional amendment passes and the people vote it in, then the Legislature would come back and probably give a more definite definition on this?

SENATOR NEWELL: Well presently we do have definitions as to blighted and substandard in the criteria. I can get that information for you. I'm not able to answer that right now. We do have some definitions but the definitions can be changed, tightened, expanded, whatever by this Legislature because it is by legislative action that those are authorized.