

SENATOR HEFNER: Okay, and then I have one other question. Where are we now with tax exempt bonds? There was some talk that the federal government was going to do away with some of these.

SENATOR NEWELL: Senator Hefner, that is a very tenuous point right now in various proposals. The federal government has felt for a number of years that they are losing quite a bit of revenues because of the tax exempt bonds and as a member of the Urban Development Committee of the National Conference of State Legislators we have taken policy positions and analyzed this. Frankly the administration is suggesting a number of proposals. One is to do away with totally, with the tax exempt bonds. The other is to only authorize tax exempt bonds in areas that fit, that could qualify for depressed economic areas like the blighted and substandard limitation. It is possible, it is very likely as a matter of fact and I hate to make predictions as you know about what Congress is going to do but it is likely that this will be the only authorized designation, blighted and substandard, probably with the federal definition maybe more tightly drawn than states.

SENATOR HEFNER: Okay, thank you, Senator Newell. I support this bill. I think that it would be very good. I think that our industrial bond system or program that we are using now works very well and so I would urge you to support this constitutional amendment.

SENATOR LAMB: The Clerk will please read the first amendment.

CLERK: Mr. President, the first motion I have on LB 634 is a motion to indefinitely postpone. That is offered by Senator Beutler.

SENATOR LAMB: The Chair recognizes Senator Beutler.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, I wanted to file that motion first to hopefully get your attention because there are some very serious policy issues involved in this question and I think that you should give them some real thought. My points are basically two, that this kind of an expansion of the Industrial Development Act is essentially anti small business and I assure you that in three or four years if this law is implemented, put into statute and implemented, you are going to be getting complaints from your small businessman, your small grocer, your small repair shop man and in a minute I will tell you why. Not only is it anti small business but it is anti taxpayer and again I will explain to you hopefully how this affects