

business enterprise and serves in my opinion, no good public policy. Not only does it serve no good public policy but it essentially is a tax on the middle class. It taxes them in two different ways. As far as our federal income taxes are concerned when you issue tax exempt bonds those wealthy people who can afford and who prosper by the tax exempt bonds do not pay taxes and when they do not pay taxes somebody else has to make up those taxes. And the people who make up those taxes are the teachers and the small businessmen and everybody else who is contributing their taxes but who does not buy tax exempt bonds. So as you expand this market of tax exempt bonds you are creating and enlarging the tax haven for the rich and shifting the tax burden onto the middle class and in this case you are doing it for absolutely no good reason. Furthermore, when you expand drastically as we have in the last ten years with industrial development bond financing, the supply of bonds, the supply of revenue bonds, those same revenue bonds are competing with the revenue bonds that are issued by your cities and your counties to build roads, to build sewer systems, to build everything that is a legitimate public purpose to build. But now when you issue those road bonds and now when you issue those sewer bonds the interest rate is higher than it should be. It is higher than it should be because the supply is so large and the supply is so large because we sit down here in this Legislature and authorize the additions of more and more and more tax exempt financings. You know in Lincoln this year...

SENATOR LAMB: You have one minute.

SENATOR BEUTLER: ...our property taxes went up nine to ten percent it was announced and nobody can figure out why it is going up nine or ten percent. Why the lid is seven percent we know. The state hasn't put on any, hasn't cut its aid significantly that we know. There are a lot of factors involved but one of the things that is happening is that hidden costs like interest costs are increasing and they are increasing because of tax shifts, tax shifts that are exacerbated by actions like these, like this one that we are about to take today. So I ask you not to do this because in this instance there is no good public policy served. There is no reason that we need be competitive with other states and I think that if you research the issue you would find that other states have drawn back from extending the Industrial Development Bond Act to commercial enterprises. For that reason I would ask you to vote to indefinitely postpone. Thank you, Mr. Speaker, for a little extra time.

SENATOR LAMB: Senator Cope, did you care to address the kill motion?