

March 8, 1982

LB 817

Nebraska Home Mortgage Act is a state controlled project. It is possible that the bonds can be floated without tying them to certain projects or in the alternative bonds can be floated only after enumerating those situations or projects that we financed by the bonds. This is a distinction from the IDA bond situation where those kinds of commercial development bonds can only be placed when you have a knowing given project that is to be specifically underwritten by the bond...one bond, one project. The virtue of 817 is it is a state controlled, and, therefore, legislatively controlled mechanism. In the event we want to change the ground rules, in the event we want to legislate a particular kind of mix of projects, we can do that this year, next year, the year after. Secondly, it allows for bonds to be given for projects jointly, smaller projects joined together under one bond as opposed to the IDA bond situation. The net effect there is to allow small businesses to have access to this kind of approach as opposed to the IDA bond situation now which is locally administered which is generally going for very large projects. LB 817 then is a state controlled project. It is one that can meld various projects of varying sizes together and underwrite them in this mechanism unlike the IDA bond situation and promotes ultimately more flexibility in the use....

SENATOR CLARK: You have one minute.

SENATOR LANDIS: Thank you....of the tax exempt bond mechanism for financing commercial development. I understand in discussions with Senator Vickers that there is to be a kill motion. That kill motion, I assume, has to be argued on the merits of the tax exempt bond idea, an idea this body has approved of in the past in a number of circumstances including the Nebraska Home Mortgage Finance Act. Following the disposition of that motion, I think it is then our duty to return to the merits of this bill, talk about it and if there are amendments, discuss them at that time. But right now we should be talking about this policy and not necessarily the terms of the bill, and I would hope that this body would defeat the kill motion that is pending and would advance 817. I will close with this one 10 second admonition. I have indicated to those on the floor who I know to be critics of this concept that I am willing to be reasonable and to negotiate on this bill. I have asked them to bring me their amendments and I have already agreed to four of those amendments by Senator Vickers in hopes that we can move this bill.

SENATOR CLARK: Your time is up.

SENATOR LANDIS: Thank you for your attention.