

March 8, 1982

LB 817

SENATOR CLARK: Is there any further discussion on the bill? If not, we have a series of motions. All right, read the first motion.

CLERK: Mr. President, the first motion is offered by Senator Vickers and Beutler. They would move to indefinitely postpone the bill.

SENATOR CLARK: Senator Vickers.

SENATOR VICKERS: Mr. President and members, as Senator Landis so aptly described to you the philosophical differences that Senator Landis and I have about the creation of yet another entity to use tax exempt financing, and I will agree with Senator Landis that at this point in time I am not ready to attack the bill on the way that it is drafted but simply argue the philosophical differences. It is true that we have used tax exempt financing for a variety of things, the mortgage finance fund that Senator Landis referred to. A year ago we passed an agricultural finance fund. We have got several constitutional amendments that we have before this body attempting to build in substandard and blighted areas of various things using tax exempt financing. The problem that I have with this entire concept is that the question of who it benefits, and it seems to me that it is pretty clear that the people it would benefit are those that are able to invest in such investments, the tax exempt portion of the tax exempt finances. Obviously, if you are a very wealthy individual and able to invest in these types of things, and enjoy tax exemptions for the revenues derived from the interest then it is a great benefit to you. But I wonder how much of a benefit it is to the recipients. I wonder how much of a benefit it is to the members of private industry that are perhaps in competition to the recipients. First of all, we are going to help people to go in debt and the bill, as Senator Landis described it to you, is open to practically anybody anywhere in the state for any commercial purpose. Well, as somebody that is too far in debt already, I can tell you it is much easier to go in debt than it is to get out of it, and I am not sure it is a good idea to give more people an opportunity to get in debt first of all. Secondly, what we are doing here is creating an unfair advantage to those businesses or those commercial enterprises for whatever nature that are able to tap into this source of revenue as compared to those competitors of theirs who have to get their revenue from the conventional sources. Now, obviously we are not going to be able to provide a source of revenue to every business in the State of Nebraska. So if it is the intention of this Legislature to create own fair advantages for various businesses, then this is a good way to