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knowledge tax exempt bonds have been cheaper by a couple of points than other kinds of bonds as a rule. In answer to the first question, why would anybody go to any other form of capitalization? I answer with the phenomenon of what we have now. We have a Home Mortgage Finance Act that provides mortgages at a reduced rate and yet we have people going to savings and loans. We have them asking for home loans and they can't get them, and the availability of a portion of financing has not meant the end of demand. I guess the answer to your question is for you to explain to me the current situation which has this form of financing which has not brought to an end the demand for house mortgages from savings and loans and banks and yet has been able to only provide satisfaction for a portion of the demand which would otherwise have gone unmet in these troubled times. Perhaps you can disprove the virtue of the Home Mortgage Act and in so doing you will find the answer to your question.

SENATOR BEUTLER: Senator Landis, I don't know all the answers either, none of us do, but it seems to me logical that if money is cheaper in one place, that is where you will go to get it. In these bad times it may be that there is not money available for certain things at any price and I think that is the situation with the savings and loan associations. But when the economic times turn, what is going to stop this agency from continuing to issue bonds and why will not the incentive be there for the retailers and the other businesses to continue to go to the agency for the money. It will always be cheaper. As long as it is tax exempt it will always be cheaper and it seems to me that we are creating a monster and I hope that you will not vote to advance the bill. Thank you.

SENATOR CLARK: Senator Newell.

SENATOR NEWELL: Mr. President and members of the Legislature, I think this issue has been discussed fairly well but I think I can add just a couple more points that I think are very important. First of all, you know, we can't look at this in a vacuum and I think that even the opponents of the bill have to recognize that we do have IDA bonds now, cities and counties can authorize IDA bonds. If the projects are big enough, if the enterprises are large enough, we can and do authorize those, and the reason we have section (a) in this bill is for those small communities, those small communities who will not authorize them themselves can utilize that provision of the bill. Section (b) deals with a public purpose, a positive public purpose and that public purpose is to encourage development, a redevelopment in blighted and substandard areas. Now we've basically done this.