

March 11, 1982

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SENATOR KOCH: I was going to move the previous question.

PRESIDENT: Yes, it is ready for a close now. Senator Wesely, you may close.

SENATOR WESELY: Mr. President and members of the Legislature, obviously there is a lot of support for the legislation on the floor. I think it was only appropriate that discussion take place about the implications of the legislation. I still am not convinced it is good legislation. Let me tell you a number of reasons why. Number one, what we are talking about is going into debt at a point at which our economic situation is so severe. We have had the extreme measures being proposed that we did yesterday and yet you are talking, Senator Peterson, a known rock-ribbed Republican conservative wants to go full steam ahead and issue these bonds and not worry about the fact that we are going heavily into debt at a time when interest rates are out of sight, when we are having a difficult enough time as it is paying for the certain projects, the certain efforts we are already undertaking. He talks about no tax increase, no tax increase, but what we are doing here is talking about a tax increase eventually, some form or another somebody has got to pay the price of this proposal. I think it is quite clear when I talked about the sales and income tax, what I was talking about is previous efforts to deal with the budget to raise money to put some water development funds...make those available, and that is what Senator Vickers was talking about. I wasn't referring to paying off these revenue bonds particularly with that, but in talking to Senator Kremer that is being discussed. There is a discussion that maybe a sales tax or income tax increase in the state budget would be used to pay off these bonds. Then what Senator Vickers talked about as far as those people benefiting from the projects paying for them, well that sounds great, but how is that going to happen? In looking at the language we talk about payment of the interest and retirement of such bonds and may pledge all or any part of any state revenue closely related to the use of such structures. Well, what state revenue closely related to the use of such structures? What are we talking about here? Are we talking about a fee that we are going to charge, a water fee, or are we talking about the increased revenues to the state from taxes that will be brought in? What exactly are we talking about? Has there been any specific mention of what is contained in this proposal? I don't think there is any doubt about it that this is an easy bill to pass. There is a lot of supporters for it. We all want to sound good about supporting water development projects because you can pass this bill, you can

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