

substantiated through the amendment I am offering to you that would further clarify the situation and that is exactly what is feared by the proponents of LB 775. What they fear is the truth. What they fear are the facts and that is what I'm hoping to bring to the people of this state. Now, number one, the study conclusions indicate that there is a \$383 million fiscal obligation to the state which will cost something like \$26 million a year through the year 2002. That's estimated. Twenty-six million dollars a year through the year 2002 and then we start to get the payback and then we start to make some money on it. That's a little long time, a long time to wait for what we were told would pay for itself within six years. It's nowhere close to that. It's more like 17 years. That \$26 million a year is more than the 19 some million dollars a year we now spend on all other economic development programs. This is our economic development program for the state and if it's not working, we had better know about it. It's also a very expensive tax relief program that we also ought to know whether it's accomplishing its goals. The thing that LB 775 was sold on is its influence on creating new jobs and investment and this study again indicates that about 4 percent of the jobs...or 4 percent of the projects coming under LB 775 were clearly influenced by the bill, 4 percent clearly influenced. It also indicates under this study that 29 percent of the projects were in development prior to the passage of the bill. On the one hand, 4 percent were influenced. That's probably ConAgra and I don't know who else. On the other side of the coin, you've got 29 percent of those projects that were already going to happen, already planned, already started in many cases, before we ever had an LB 775. But that bill wasn't there to influence the start up of a lot of the projects that have qualified under this bill but, in fact, merely sent money back to these projects that were already going to happen anyway. Then you follow that up and you look at overall, okay, you have to guess whether things would have happened or not happened anyway. So let's take a guess beyond that and just look at Nebraska's economic work versus other states around us versus the nation versus the region. Let me read you exactly the quote from this study. "From an actual overall state economic performance standpoint, there is no statistical significant evidence to suggest that Nebraska's economy has improved more rapidly than the United States, the plains region or most of the states adjoining Nebraska. In fact, Nebraska's relative economic performance, when compared to these other states, the region in the United States, has generally deteriorated since LB 775's enactment.