

May 15, 1989

LB 289A
LR 211

LR 211 at the request of the Nebraska Power Association. The Nebraska Power Association and its various members are deeply concerned by the fact that the Congress continues to pass laws such as the Tax Reform Act of 1986 that make it increasingly difficult and more expensive for state and local governments to use tax exempt bond financing. Tax exempt bond financing is a single most important source of revenue for state and local governments to use for roads and bridges, schools, waste water treatment, gas, utilities, solid waste management, drinking water facilities and that sort of public expenditure. The loss of this financing tool would probably add 20 to 30 percent to the cost of borrowing for state and local governments. This, of course, is just one more method whereby the various taxpayers have to increase their cost to government and in some ways it's rather an insidious method. The passage of LR 211 would send a signal to our congressional delegation and others that the continued use of this financing tool is critical to local government's ability to provide basic local services. I would be glad to answer any questions you might have and, if not, I would move for the adoption of the resolution.

SPEAKER BARRETT: Thank you. Any discussion? If not, those in favor of the adoption of LR 211 please vote aye, opposed nay. Record, please.

CLERK: 29 ayes, 0 nays, Mr. President, on adoption of LR 211.

SPEAKER BARRETT: The resolution is adopted. General File, A bill, Mr. Clerk.

CLERK: Mr. President, LB 289A was introduced by Senator Schmit. (Read title.)

SPEAKER BARRETT: Senator Schmit, please.

SENATOR SCHMIT: Mr. President and members, LB 289A is the financial support bill for LB 289, the so-called underground tank cleanup bill. As you know, there have been somewhat deep concerns expressed recently relative to the substantial environmental cost and impact of the various leaks that have been caused by a substantial number of different kinds of tanks that have been buried underground in some instances for many, many years. LB 289 is an attempt to provide and create a fund for that cleanup effort and at this time we need the A bill. There will be some additional amendments to LB 289 which should