

villages cannot, at this time, use local dollars for the same project or program. So that is, essentially, the issue we are trying to address. In the past, there have been some concerns raised about, well, doesn't this make cities competitive with each other, now doesn't this force them to compete with each other? But as I guess we have to face it that we live in a world where competition is the name of the game, and the real issue is whether the Legislature and the voters of Nebraska can posture the municipalities to effectively compete with municipalities of other states, because it is going on right now. And this is a tool that I sincerely believe that in particular small towns and villages across the state really need, because that is where economic development happens is at that local level. We have tried in this state to do everything we can think of to create an economic environment that is conducive to business development, but when you come right down to it, it is those local people that are out trying to find businesses and start businesses that need the tools to determine whether a business is going to locate in that community. And once in a while, even though that is not always the way you bring about economic growth, once in a while you do have the chance to bring somebody in. This I should point out does not ever ask for a state appropriation. It is a request by the cities and villages, themselves, for a tool to enable them to help themselves, subject to, number one, the passage of this constitutional language and, then secondly, the passage of language at the local level that clarifies the process. So the chronology is, first of all, we need to pass LR 11. That places this issue on the ballot in November, 1990. Now, then if the voters choose to amend the Constitution with the proposed language, then we, as a Legislature, are empowered to have a bill take effect defining terms and establishing a statutory framework within which cities and villages can expend local resources for economic or industrial development projects. This is not unlike the process we are going through right now with the constitutional amendment on higher education, which has a companion bill attached to it. When the enabling legislation is passed by this Legislature and takes effect, then a municipality can develop an economic or industrial development project or program and then, once again, that project is submitted to the voters for approval. And then, once those voters of that municipality approve of the economic or industrial development project or program, then, and only then, can the city or village proceed with that project. So that is essentially where we are. Some of you are very, very familiar with this having dealt with