

May 9, 1991

LB 167

they're doing it on the theory that, number one, they've done it for a number of years; and, two, they're large enough and their tax base is large enough to support the risk that they are in. The question you raise, what if,...

PRESIDENT MOUL: One minute.

SENATOR LANDIS: ...through very bad management, they run up a terrific bill? And the answer to that question is, if they manage badly and run up a terrific bill, the bill will have to be paid.

SENATOR LYNCH: So the taxpayers...if I could have my phone back for a minute.

PRESIDENT MOUL: You've got a half a minute.

SENATOR LYNCH: I lost about 20 seconds. I watched Congress last night on the gun bill. You're not going to credit me for that, are you, I hope. But in any case, in any case, that's only an example. I am not going to get involved with this legislation for a lot of reasons. But there is terrible down sides to this kind of legislation, and that hypothetical is not hypothetical at all, it's an actual fact, it did happen about seven years ago in the west. And to be completely frank those taxpayers were stuck because of that political decision which seemed self-serving, and by somebody privately doing business with the county to the tune of a couple hundred thousand dollars for one year. Unless there are some kind of protection for those taxpayers against these bad decisions, it can, I think, cause, on the one hand, opportunities for subdivisions to bail out from making decisions badly in the past,...

PRESIDENT MOUL: Time.

SENATOR LYNCH: ...and also offer opportunities for those to make those same bad decisions in the future as well.

PRESIDENT MOUL: Thank you, Senator Lynch. Senator Peterson.

SENATOR PETERSON: Madam President and colleagues, I rise to support the amended...Senator Landis' amendment and the amendment which becomes the bill. I selected LB 167 as my priority bill in order that political subdivisions of the state would be able to continue to use the self-funding approach in