

September 30, 1992 LB 9

Legislature. Originally when the Governor looked at this and was thinking of ways to come up with necessary cash that we need, he said, simply, let's delay these projects for two years, and the Appropriations Committee did not like that approach and they adopted this bonding approach. The Governor's approach didn't cost anything in terms of this \$3 million in interest. There wasn't any interest at all involved, just the two-year delay in construction. The Appropriations Committee approach involves this \$3 million in interest. What I am suggesting to you today is, in fact, a kind of compromise between those two approaches, which avoids spending \$3 million on interest and delays the implementation of the projects for just one year, for just one year. Now I know there are a number of questions that are involved, and I hope you will follow this and look at this real close because \$3 million of interest is no small hunk of money. I know that in the coming year some of you will want that money for child abuse or for restoring ADC or each one of you has different projects that you know are important and that \$3 million could relate to, so I hope we can preserve this \$3 million by amending this bill for a one-year delay. I have passed out to you a number of handouts and one thing that I want to make clear, and you might look at the handout that says September 30th, 1992, at the top. In that particular handout, once you have had a chance to orient yourself to it, you will see that it shows that under the Appropriations Committee proposition, the one that is now in the bill, the General Fund money that goes into...or the cigarette tax money that goes into the General Fund, that is that we are trying to get into the General Fund in the next biennium is about \$7.3 million. Under the one year delay plan that I'm suggesting to you right now, it would be about \$7.2 million. So the important point for Senator Moore and those who are interested, the Governor, and those who are interested in having a specific amount of cuts, is that this compromise plan provides the same amount of cigarette tax money going into the General Fund as does the current Appropriations Committee version. So we don't lose anything in terms of what we are trying to do to solve our short-term problem. What do we gain? What do we gain? We don't pay \$3 million on interest. Now some of you asked the legitimate question earlier, but if we delay construction for one year, there are additional construction costs, are there not? And those additional costs need to be subtracted out from whatever interest we are paying in order to come up with any real savings. And I think that that is true, but I have handed out to you another handout that shows the general increases in construction costs in Omaha and