

September 30, 1992 LB 9

purported to be a big cut by issuing bonds. In the long run, they are going to end up spending substantially more than what they saved. So I think what Senator Beutler is proposing here, since it does not reject any of these projects, continues them on, and it would be a reaffirmation bill so they are not in the position of having to be reauthorized, that it is an excellent opportunity to accomplish a \$3 million savings over the period of the time of the construction.

SPEAKER BAACK: Thank you, Senator Warner. Senator Moore.

SENATOR MOORE: Well, Mr. Speaker and members, I rise to oppose Senator Beutler's amendment but I am not going to dispute very much that he said and I, too, have a concern about bonding. I have a concern, I mean, and what he said about accelerating things is a true statement. But on the other hand, as he mentioned before, I think as with any person out there in the private sector, you try and take advantage of economic situations when you can, and if you actually...I think you have a win-win scenario with the bill as introduced with the drawback of the interest you pay. I am not going to deny that. On the other hand, I think it is important to point out that why the acceleration that Senator Beutler pointed out, you are getting these projects up and going at a time when there is favorable interest rates. Now Senator Beutler may argue that the construction costs may not increase that much and, obviously, if you don't bond, interest rates are not so much a concern. But there's a lot of uncertainties there, and if you delay it a year, I mean you can come back a year from now, then you said, well, we still don't have the money to pay cash on the barrel, we want to bond, interest rates may be double that by then. And so I, too, am not crazy about the idea of incurring the interest cost, but on the other hand, when you look around the City of Lincoln and you look around state government through other bonding proposals, through a variety of lease-purchase proposals, you know the state is incurring interest, I mean this is not unusual. LB 9 does not embark on some totally new path, and at the same time, it is a very...in the scheme of things, it is a small endeavor and it doesn't upset the apple cart. Now if we were sticking our toe in the water of the first time ever incurring interest in the State of Nebraska, that would be one thing, but we are not. I mean it has become, and some would argue unfortunately, it has become somewhat commonplace, maybe more than I am comfortable with on some occasions. But it still is not very prevalent, and LB 9, he is coming back to the point