

September 30, 1992 LB 9

period for which the bonds would be issued from six years to four. Again, as I indicated, the downside is that over the coming biennium, obviously because of a shorter term on the loan, you are paying more on principal, and there is less available, but you still accomplish a million, two savings in the overall cost as far as tax funds are concerned for the state, and that savings begins to show up at a later date when it would appear to me that we will have even greater difficulties than we are trying to deal with now. I don't know if there is any interest in attempting to make this saving. Those of you who are concerned about the projects are no way adversely affected, they continue at the same level acceleration that LB 9 does, but it does result in less of a interest cost over the period of the loan because of the shorter period. As I indicated, again the downside is that for the next biennium it does not free up quite as much for cash flow. I think it is a reasonable compromise that results in some savings from the overall cost from LB 9 as it now stands, still allows the projects to proceed.

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

SENATOR MOORE: Mr. Speaker, Senator Warner, will you answer a couple of questions, please.

SPEAKER BAACK: Senator Warner, would you respond, please.

SENATOR WARNER: Sure, yes.

SENATOR MOORE: Senator Warner, just so I have everything clear, basically with this amendment, you go from six to four years, I understand that. You'd basically, for the biennium, where we have been showing freeing up \$7 million, this frees up \$5 million in cash flow savings, correct, Senator Warner?

SENATOR WARNER: That is what I said, right.

SENATOR MOORE: Two point, three million dollars. Obviously, if your amendment is adopted and the bill passes with the emergency clause, conceivably those things could commence construction when?

SENATOR WARNER: The same as LB 9 does now.

SENATOR MOORE: Yes.