

needed to do that in light of the circumstances we were in. But our mistake was in not putting a sunset on that bill, because once it got enacted we haven't been able to touch it, despite the fact that we know the consequences that are far beyond what we ever imagined and the cost of the bill far beyond what we ever had imagined, and yet we aren't able to do anything to change that piece of legislation, and that concerns me a great deal. For instance, 775, when it passed in '87, it was talked about might be a dozen, maybe two dozen companies qualify for it. Currently, as I understand it, there's something like 132 companies have qualified for breaks under that bill, another 125 that have agreements that are in the process of qualifying for breaks under the bill, and then another 85 or so companies that are pending with applications still to be processed. So instead of a couple dozen, we're talking about a couple of hundred companies qualifying. And we thought that the bill would pay for itself in six or seven years, but the bill ended up now it's maybe 17, maybe 20 years, different estimates, but it's definitely a long pay-back period, much longer than anticipated, and the net cost to the State of Nebraska is at least \$600 million in terms of outright loss of tax revenue or potential loss of revenue. And yet we aren't able to do anything with that bill. Now, there are ways in which it can be improved, and had we had a sunset and had to go through the process I think we would have had ideas and a chance to make some modifications. Likewise, I think with this bill we're talking about Micron, we're talking about one particular company, we'll be talking about Pfizer here in a little bit, so there is a second company. But we're not anticipating far more companies than that qualify for the tax breaks under this bill. But let me assure you that once you open the door, it doesn't just stay open for one company or two companies, it stays open for as long as the law is in effect and any company that meets the standards qualifies. Now it's a high standard, 500 jobs and \$50 million is a great deal of investment, so it's not thought that we'd have perhaps the hundreds of applicants for this as we had with LB 775. But I also don't think it's going to stop at one or two, it's going to be more than that. And LB 830 does extend far beyond the current powers and tax increment financing, I'll be offering the same amendment to the other bills. And it seems to me the lesson to be learned from 775 is that we need to put a sunset on these tax break bills and see how they work, and see what the costs are, and see what the impacts are, and then evaluate whether to go on further or not with the proposal. And the other idea that I've had all along