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LB 440

Beutler, how long Lincoln has obligated this income stream for the retirement of those bonds from the MIRF fund?

SENATOR BEUTLER: It's my understanding till 2009.

SENATOR BOURNE: Two thousand nine? And is there any other way that Lincoln could satisfy that obligation? And by that, I mean if this income stream was gone, is there another way that that could be satisfied? Is there another income stream out there?

SENATOR BEUTLER: Yes, technically, they could go back to the property tax.

SENATOR BOURNE: Okay. And they have...Lincoln does have some budget authority to do that?

SENATOR BEUTLER: You know, Senator, frankly, I'm not...I didn't familiarize with myself with how hard or easy it would be to do that, because I'm against going back and reemphasizing property tax altogether in any context.

SENATOR BOURNE: Okay. Do you know if...and I read the letter from Ameritas that you had distributed on the floor. Would...and it doesn't really...it does talk about a significant impact, but do you have any information that would indicate that there would be a change to Lincoln's bond rating due to this income stream leaving?

SENATOR BEUTLER: Well, only the opinion of bond counsel that it would have an effect. I don't know how anybody could know what judgment they might apply to it until it actually happens.

SENATOR BOURNE: Okay. And, I mean, again, it said in the letter that there could be a change but it didn't say what. And the same could go with the interest rate as well?

SENATOR BEUTLER: Right.

SENATOR BOURNE: Okay. Then you also talked in your opening about how...what your amendment would do is allow Lincoln to continue to receive funds under MIRF and then change the aid to