

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

March 19, 2004 LB 1071

the opening on LB 1071. As stated by the Clerk, there are committee amendments. Senator Wehrbein, as Chairman of the committee, you're recognized to open those amendments.

SENATOR WEHRBEIN: Okay. And LB 1071, this amendment, which is...I don't...this amendment would establish a capital construction review process for university and state college projects when debt is issued through a facility corporation and is repaid utilizing general operating budget revenues. The reason for the bill is we discovered that there was going to be some financing of the library project in specific at the university, and then there was implied, implied, if you will, that there was going to be General Funds to fund that as an obligation. This raised a flag, in my mind, because...not that there's been deliberate effort to bypass this procedure, but it could be someday in...down the road that it is possible that General Funds would have to be appropriated to the university to fund some debt that they had that we would not have been aware of or not known. I mean, it's potential for abuse, but we're not even close to that type of thing at this point. So what this bill simply says, that we would have oversight, just as they do now, for construction projects under their, say, for a dormitory or for a housing project or something like that, have to come to us. They go to the Coordinating Commission; they come here for a hearing and review and either our committee and ultimately the legislative floor, or the Executive Board in the non...when we're not meeting, take care of that. So this...these capital construction projects in this bill would be reviewed by the Coordinating Commission and would be approved or disapproved by the Legislature when in session, or the Executive Board when the Legislature is not in session. Currently, there is no outside review of capital construction projects financed through a facility corporation that's, in this case, a nonprofit. So I had this drafted. The committee has passed it out as this amendment. There is a following amendment that will be strictly technical that I'm ready to take up.

SENATOR CUDABACK: Thank you, Senator Wehrbein. Mr. Clerk, a motion.

SENATOR WEHRBEIN: Senator Wehrbein would move to amend the