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FLOOR DEBATE

April 1, 2004 LB 1090

the existing bonds that are authorized under law, and I think this is on page 7 of your amendment, Section 3. As I read subsection (2), it appears that the Legislature authorized \$50 million in bonds after July 1, 1988, and it outlines some of the language that you have. And then, as I read through, it says these shall be used exclusively for (a) which is the construction of roads or (b). And as I read that the first time or when I had discussions, people said no, no, it was only designed to fill a gap from the federal government. But as I read this, it tells me that right now there's \$50 million that was authorized if the commission would choose to go out and secure \$50 million in bonds. Is that an accurate read of existing statute?

SENATOR BRASHEAR: That is exactly how we read it also.

SENATOR ERDMAN: So right now, realistically, some...the commission could go, say, we need \$50 million for roads in 2004, and they would do it through bonds, in addition to the money that they would get. Then they could do that without any prohibition other than they would have to use those bonds for the purpose of building roads, just to confirm that.

SENATOR BRASHEAR: I'm sorry. I may have let my mind wander. We have to use the proceeds of the bonds for the purpose of building roads, yes.

SENATOR ERDMAN: So your amendment isn't necessarily the new idea as far as the authorization of bonds for the roads in statute. The idea that is unique is the taking of the money for a purpose out of a revenue, which it's my understanding isn't limited by the constitution, for roads, and then replacing it with bonds which are authorized under the constitution, for roads.

SENATOR BRASHEAR: You are exactly correct. We are diverting the money before it goes to the Highway Trust Fund, and holding the Highway Trust Fund harmless by issuing the bonds in order to compensate for the amount of money diverted.

SENATOR ERDMAN: Okay.