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FLOOR DEBATE

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opening on the committee amendments offered by the Chairman of the committee, Urban Affairs Committee. Open for discussion on those. Senator Redfield.

SENATOR REDFIELD: Thank you, Senator Cudaback, members of the body. I do have a couple of questions for Senator Landis, if he could respond. Senator Landis, I agree with the committee amendment clarification, that it would be for a public purpose, but within the amendment I don't see any kind of limitation for the term of the bond or for actually purchase of consumables. You used that illustration in your opening. You were talking about the fact that they might purchase energy ahead of time when the rates were low. But what would be the term for these bonds? Are we talking long term, 15 years, 30 years?

SENATOR CUDABACK: Senator Landis, you're...

SENATOR LANDIS: Revenue bonds are like others. They have a variation: 5, 10, 15 years are not uncommon in a revenue bond. They don't have a tendency to be quite as long as some of the general obligations, but there is no limitation in our existing statute nor is there proposed in this bill.

SENATOR REDFIELD: So they could actually purchase a consumable and it could be consumed within a year or two, but the public could be paying these bonds off and the interest therewith for a term of 5 or 10 or 15 years. Is that correct?

SENATOR LANDIS: Within the terms of that hypothetical, the answer is yes, it's possible. Understand that the bonds are essentially the creation of a municipality. Those are elected officials and they will bear the burden of their choices that they make.

SENATOR REDFIELD: Do you have any discomfort with that, or do you feel that it should be limited to something that has a long-term value?

SENATOR LANDIS: Yeah. I would suggest that I'm not uncomfortable. We have not had, to my knowledge while serving here, difficulty with the use of revenue bonds and an argument