

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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FLOOR DEBATE

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LB 548

CLERK: Senator Beutler would move to amend Senator Schrock's amendment, AM1754.

SENATOR CUDABACK: Senator Beutler, to open on AM1754.

SENATOR BEUTLER: I'd withdraw that amendment.

SENATOR CUDABACK: It is withdrawn. Mr. Clerk.

CLERK: Back to AM1696, Mr. President. Oh, I'm sorry. Senator Beutler, I have FA310. (Legislative Journal page 1840.)

SENATOR CUDABACK: Senator Beutler, on FA310, please.

SENATOR BEUTLER: Senator Cudaback, members of the Legislature, I think what is being attempted here is, overall, a very good thing. I don't know if there's ever been a power district in this state that's ever got a AAA rating on revenue bonds. But if there's a reasonable opportunity to try to get that rating, it certainly would be financially helpful. But I think, in attempting to comply with the rating companies' requirements, one of the things that they've been asked to do, and bond counsel has done for them, is to screw down the processes and procedures considerably. And I want to go over some of those and point them out to you. And then I want to suggest to you one change that I think you'll want to think about, or at the very least, know about, should they ever take this path towards a mandated project. The bill is filled with a separate set of procedures that apply to these bonds that will be issued, and the revenues that will be "securitized" and siphoned off to pay only for those bonds, a separate set of procedures for those. And those procedures are necessary in order to, apparently, accommodate the rating society, the rating bureaus. One of the things that it does, for example, with regard to whether a project is mandated or not...that is, whether it will be subject to this separate treatment; it has a very broad definition of what "mandated" means. And then it says, with regard to that definition, the project...the mandated project...the determination of the governing body that a project is mandated shall be final and conclusive. That is, nobody, no ratepayer,