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FLOOR DEBATE

January 24, 2006 LB 90, 343, 693

your motion to return for a specific amendment.

SENATOR LANDIS: Thank you, Senator Cudaback, members of the Legislature. This amendment is a white copy of the bill, occasion for two reasons: one, I've incorporated the amendment that Senator Beutler requested and that's one reason why we wanted to redraft it; and secondly, the original green copy of the bill was premised on NIFA language as it was written last year. However, there were two bills that changed the underlying NIFA statute last year, LB 90 and LB 343, so by redrafting it we can take the contemporary NIFA language and make these changes to it, as well as the Beutler amendment. By the way, the Beutler amendment called for the use of a public hearing, detailing an economic impact project to be assisted and allowed for input from the public, notice for the public hearing at least two weeks in advance in a newspaper of general circulation within the county affected by the project, with notice that a general designation of the project and identify where more detailed plans may be reviewed prior to the hearing; in other words, a public notice provision. To remind us basically of what this bill is and why it's been out of committee and moved to Final Reading, there is in the federal tax code a kind of tax credit that's authorized for essentially low-income and rural economic development. This is not a state tax credit. It's only a federal tax credit, but there needs to be an administrative agency at the local level who can essentially organize the applicants and make sure that they fit within the federal law, consolidate investments and make sure that the lenders and investors are paid their interest and their tax credits, and that small businesses and agribusinesses get the loans which are created essentially because of the really...because of the presence of these federal income tax credits that exist. They're over seven years, they total 39 percent, and there was about 5 percent a year for about seven years. And by giving those credits, what you essentially do is to make a second tier of possible investments attractive, investments in a rural area, investments in agribusiness, which perhaps might not otherwise have a margin that would attract a lending institution or an agency to make the claim, but in fact the loan had this additional source of return, that they would be ready, willing, and able to make those loans. This