

April 9, 1974

PRESIDENT: You already have explained partially, and so has Senator Kremer. Now then, the question is, shall the Chair be overruled. All those in favor of overruling the Chair vote aye, all those opposed vote no. The question is, shall the Chair be overruled? Have you all voted? Once again have you all voted? All right, the Clerk will record.

CLERK: 16 ayes, 23 nays.

PRESIDENT: Thank you, then the motion to overrule the Chair has failed. What other business do we have. What is the next motion.

CLERK: What do you want to do now on 977A. Mr. President, I move to return LB678 to Select File for specific amendment, signed, Senator Chambers. And the Final Reading bill after instert (read)

PRESIDENT: The Chair recognizes Senator Chambers.

SENATOR CHAMBERS: Mr. President and members of the Legislature. This is a bill that relates to an off street parking facility for Lincoln, that in order for this type of thing to be constitutional according to judge's decision. Every city, every village, and every community in the state that might want to issue such bonds would have to be brought into the bill. Omaha was also included in the bill, and prior to Senator Barnett's last amendment, which is the new language at the tail end of the bill. The only change was the inclusion of metropolitan class, or those were the words. Well now, that these other cities have all been included. I think the body should take enough time to consider very seriously and carefully what is being done by this bill. I can understand the haste that the people in Lincoln has. I applaud the good job of lobbying. The skillful job that was done in moving this bill from it's low position on the board to the favorite position as an underlined bill, this hastened the Final Reading. But nevertheless, what we have to consider is what the overall impact of this bill would be. That is to allow any city to issue what amounts to general obligation bond without a vote of the people. Right now, Lincoln is able to issue general obligation bonds by getting a required number of votes. But they don't want to take the time to do so. They can issue revenue bonds without a vote of the people. But they don't want to issue revenue bonds because they say the market is not favorable for that. So they are coming in with the bill which offers a hybrid. The best part of the revenue bond and the general obligation bond. The general obligation bond is better, because in a sense, it has security other than the project which is to be funded. The project itself, pays off the revenue bond. So it gets the best of the revenue bond by not requiring a vote. It gets the best of the general obligation bond by pledging security other than the project itself. In this bill not only can the highway funds be pledged, but an advalorem tax on all taxable property in the county, must be placed to retire these bonds. It is not optional. It does not say that the city involved, may place an advalorem tax on all the taxable property. It shall. And that is in addition to the highway allocation fund. I'm suggesting that this bill be returned to Select File for the specific amendment that was