

May 4, 1979

LB 158

financed out of the bond proceeds anyway and those are tax increment bonds which are payable from the tax increment. It is not throwing any more cost onto the city than you are throwing onto them already by promoting this bill.

SENATOR GEORGE: Okay, thank you.

SPEAKER MARVEL: Senator Kelly.

SENATOR KELLY: Mr. Speaker, I want to ask a question of somebody and I guess the introducer would be the proper one. Senator Koch, would you yield to a question?

SENATOR KOCH: Yes.

SENATOR KELLY: What does "par" mean in LB 158? What is the definition of par?

SENATOR KOCH: That is the provalue of the bond I suspect. I am not certain, Senator Kelly. I would have to admit that to you.

SENATOR KELLY: I am not either, Senator Koch, and it is a legit question because par is a wiggly type word that can mean whatever you might say it would be. Some people even think it is five on a par five hole. I think I will support the Murphy amendment on the basis that we don't want to sell it below something if that is the value and I am not sure that that is the correct interpretation of par but the only one I have heard and we don't want to sell anything below value.

SPEAKER MARVEL: Senator Koch, do you have any other comments to make before I turn it over to Senator Murphy?

SENATOR KOCH: Yes, I just have a couple of comments. One is that I am not an expert in the bond market, I can tell you that, because I have never had that much money to get those taxes in bonds like some people do but all I am trying to do here is provide a city an alternative. They either sell at par if that fiscal manager understands it and believes that that is the best way to go, but by giving this provision below par, you are taking off the front end load of the city and allow them to spread it over the amortization of the bonds and I believe that is a good option for the community because most communities I am certain who are in this to any great extent will probably have a very sound fiscal advisor and the par, I am advised, is the market value at the time people are willing