

April 9, 1980

LB 933

SPEAKER MARVEL: Senator Koch, do you wish to....

SENATOR KOCH: Thank you, Mr. Speaker, I will handle this bill for Senator George in his absence. The bill as originally brought to us from the LR 169 committee is primarily dealing with SIDs and when they are established that the county and the clerk of the court shall notify a city...any other zoning jurisdictions of the establishment of that SID. That way it would be a matter of record and it would be less confusion in terms of what part of the SID might belong to one jurisdiction as opposed to another. In addition, the committee in looking at interest rates as we relate them to bonds changed from 7 to 10 percent the amount that they now can receive. It has been brought to our attention in the last few days by mayors of various cities along with Mr. Chambers of the Nebraska League of Cities that we are having problems with delinquent taxes. So the amendment that I am asking you to adopt to LB 933 would state very simply and several of us met with Mr. Chambers one day, including Senator Nichol, that we felt that the cities should not be victims of those who want to play games with a low interest rate for delinquent taxes, and there are examples of this occurring throughout the state, and you might have read of one the other day in the newspaper. A gentleman out in central Nebraska decided he would sooner not pay his taxes and invested his money in else place for higher interest, and that is being done in a number of communities. I have had calls from the Mayor of my city and I am sure you have. So what we are doing in this bill is we are amending it to say that in no case will the city charge an interest rate which is greater than that that we established and we did establish recently under our usury rate, and that is the intent of the amendment to the bill, and I ask for the adoption of the amendment to LB 933.

SPEAKER MARVEL: Senator Kahle, do you wish to be recognized?

SENATOR KAHLE: Yes, please.

SPEAKER MARVEL: Okay.

SENATOR KAHLE: Mr. Speaker and members, a question of Senator Koch, if I could, please.

SPEAKER MARVEL: Senator Koch.

SENATOR KAHLE: What are you doing then? Would you go over that again what you are doing to cities, and if it's what I