

PRESIDENT: The Chair recognizes Senator Wesely.

SENATOR WESELY: Thank you, Mr. President, members of the Legislature. This I believe is an important resolution which deals with an important issue to the State of Nebraska. Mortgage Finance Fund I think is a real success story for the State of Nebraska the two years that it has been in operation. It has been able to help several thousand families for the first time to be able to own a home. The fund has been a tremendous success with great demand for the opportunity to acquire these low interest loans. However, the problem is that abuses in other states, in other areas involving such funding has led to passage of legislation this last fall which in fact has thrown the baby out with the bath water because although it does deal with a serious problem, and I recognize that problem that we have seen in IDA bonds in the past, it also throws out the Mortgage Finance Fund type operation which we have here in the State of Nebraska, and particularly Nebraska is hurt by this legislation. The different restrictions that have now been enacted by the Congress particularly hurt Nebraska in terms of the funding availability. Because it is a fairly new fund, it doesn't quite have the capability that other states that have more established funds have to work around some of the restrictions that have been placed on mortgage financing and on the bonding activities that support such a fund. At this time, I think that it is absolutely critical that we pass this resolution and encourage our delegation and the Congress to recognize the fact that the Mortgage Finance Fund in Nebraska, and I am not speaking for other states but I certainly can speak for Nebraska, has been a very effective means to help low and moderate income families achieve mortgages and own a home for the first time and I think that is very, very important. We've seen as a result of this a stimulus to the economy in this state which is dramatic and in these very hard economic times I think it has had a tremendous impact to the positive in the State of Nebraska's economy. Again as I said before, we are in a critical period though without Congressional action to change some of the restrictions that have been placed on the fund and other funds in other states. Our Congressional delegation would be directed by this resolution to try to ease up some of those restrictions so that the Mortgage Finance Fund in Nebraska can continue to assist low and moderate income families. Without these changes, essentially the fund will have to not continue with any additional bonding, without any additional funding. It will have to be pretty much a stagnant entity and I think there is clearly a demand for support for the fund. Also related to this is the energy assistance that I think many of you recognize the need for.