

April 27, 1981

LR 64

LB 58, 283, 491, 499, 180

Mr. President, a communication from the Governor addressed to the Clerk. (Re: LB 58, 283, and 491. See Legislative Journal, page 1594.)

Mr. President, a new resolution offered by Senator Wesely. (Read LR 64. See pages 1596 and 1597, Legislative Journal.) That will be laid over, Mr. President.

Mr. President, Senators Fowler and DeCamp ask unanimous consent to add their names to LB 180 as cointroducers.

SPEAKER MARVEL: Hearing no objection, so ordered.

CLERK: That is all that I have at this time, Mr. President.

SPEAKER MARVEL: I would like to recognize Senator Vickers for an announcement and then we will go to LB 499 which will be the last bill for the afternoon. Senator Vickers.

SENATOR VICKERS: Mr. President, thank you very much. Mr. President and members, on your desks this morning you found a little page with the schedule of events for Heritage Days to be held at McCook, Nebraska, May the 1st, May the 2nd and May the 3rd, and along with that schedule, I am issuing to you an invitation from the McCook Chamber of Commerce to any and all of you that are able to be there on Saturday, May the 2nd for their parade at ten-thirty and they would like to have you there a little bit ahead of time and vehicles will be provided for anybody that...any of the members that were able to be there and also the luncheon put on by the Cordials, the ladies group of the Chamber of Commerce, and I might add it will be a very enjoyable luncheon, I am sure. As you notice, there is a variety of ethnic foods will be available, and also, of course, it is out in the middle of the 38th District and I would be happy and proud to be your host to any and all that could make it. Thank you, Mr. President.

SPEAKER MARVEL: Thank you, sir. Okay, we are now ready to go to LB 499.

CLERK: Mr. President, LB 499 (read title). The bill was first read on January 20, referred to Public Health and Welfare. The bill was advanced to General File. There are committee amendments pending by Public Health and Welfare Committee, Mr. President.

SPEAKER MARVEL: Senator Cullan, committee amendments to LB 499.

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CLERK: Mr. President, R-4, offered by Senators Wesley and Newell.

SENATOR FOWLER: Mr. President, I move that we kill the resolution since they are not here.

ASSISTANT CLERK: Mr. President, LR 64 was introduced by Senator Don Wesely and Senator Dave Newell. (Read.)

SENATOR WESELY: Mr. President, members of the Legislature, this resolution was cosponsored by Senator Newell and myself and I am sure that kill motion was in jest because I realize there was a similar resolution that was introduced by myself alone and that was killed although it did go through a committee hearing and was advanced by the committee and had a great deal of support. However, there were some concerns about these revenue bonds and the problems that they created and the tax exempt status and so there was a great deal of concern that was expressed and the decision not to support the resolution last time. So the decision was to put out all the different verbiage about the tax exempt bonds being able to do different activities and all the great things about that and get down to the one nub of the problem and that was a problem that we have with Nebraska having a mortgage finance fund that just started a couple of years ago and thus, has not built up a reserve and thus a turnover that can then be used to support the actual management of that fund and whether or not you like mortgage finance funds or whether or not you like revenue bonds and tax exempt bonds is not really the question at this point. The question is that Congress has placed restrictions on the different states' programs like this and the one restriction that really hurts Nebraska more than any other state

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and really does not affect most other states because they have been around a lot longer is this 1% arbitrage figure. And what that essentially means is that they issue the bonds say at 10%. Then they can only let out loans at 11% and thus have a 1% margin in which to operate the fund to provide incentive to the banker or the savings and loan to issue the loans and those sort of things and I guess the problem is basically this. They cannot administer the fund with that sort of a restriction. It is simply too much of a burden because we are a new fund and it is not working properly in regards to the fact that it is so new and so it seems to me that we can place restrictions and we can talk all we want to about shutting down these different activities that have been abused but this is a separate case. This is talking about just administering what we now have. It doesn't add anything or take away from the situation but just says the mortgage finance fund in order to operate what we already have has got to have this arbitrage figure changed and that is all we are saying in this resolution. We are not changing anything else. We are not saying it is good or bad or anything about it but we are saying that we have got a fund. It is operating. It cannot continue to operate without a change in that arbitrage figure and we have got a congressional delegation back there that is quite willing to take the lead on this but they would like to have a resolution from the Legislature saying that this is important to us and that is why again, we came in and, again Senator Newell and I sat down. Senator Newell opposed the resolution that we had originally introduced several weeks ago and after we talked to him about it he understood better the situation and I hope that you do now too, that we are talking about one primary problem. We are not talking about going back to the place where we started with this whole thing. We are just talking about taking care of the one problem that has really caused a headache for the mortgage finance fund, has basically stifled the situation and until that is changed we are in trouble with it. So, that is the resolution. That is the change. I am sorry Senator Newell is not here to express why he has changed his mind and is supporting this resolution but let me tell you that it is a very important resolution to the State of Nebraska and the mortgage finance fund.

PRESIDENT: Any further discussion on LR 64? Hearing none, Senator Wesely, I guess that is your opening and your closing unless you have another remark. The motion then is the adoption of LR 64. All those in favor vote aye, opposed nay. Have you all voted? Senator Wesely, what do you wish to do?

SENATOR WESELY: I know my speech enthralled them. They are

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just not sure quite which step to take to... I don't think it is worth a Call of the House.

PRESIDENT: Why don't we just have the vote taken unless you want to...

SENATOR WESELY: ...but...a Call of the House.

PRESIDENT: We will have a motion before the House, shall the House go under Call. All those in favor of a Call of the House vote aye, opposed nay. Have you all voted? The question is, shall the House go under Call. Have you all voted? Record the vote.

CLERK: 14 ayes, 14 nays to go under Call, Mr. President.

PRESIDENT: The motion fails and the...I guess...do you want a roll call vote? We will go to a roll call vote then. I must tell you that you have the distinction of having the first time to have a Call of the House fail in a long time. Go ahead, Mr. Clerk.

CLERK: (Read roll call vote as found on pages 1741-1742 of the Legislative Journal.) 26 ayes, 11 nays, Mr. President, on adoption of the resolution.

PRESIDENT: The motion carries. LR 64 is adopted. Before we proceed the Chair would like to introduce some nineteen students from Farwell, Nebraska, with Mrs. Earl Lincoln, their teacher. They are from Senator Wagner's district and they are up in the north balcony. We welcome the Farwell students and Mrs. Lincoln to your Unicameral Legislature. Welcome. We are ready for agenda item #5.

CLERK: Mr. President, Senator Newell moves to withdraw LB 555.

PRESIDENT: Senator Newell, we are ready for your withdrawal motion on LB 555.

SENATOR NEWELL: Mr. President, members of the body, LB 555 is the Falstaff resolution of the anything of value question which is passed already. The bill is not necessary and I would urge the body to withdraw it.

PRESIDENT: Is that it, Senator Newell? Any further discussion then on Senator Newell's motion to withdraw? All those in favor then of withdrawing LB 555 vote aye, opposed nay. Have you all voted? Record the vote.

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LB 35, 76, 364  
LR 64, 75, 90

PRESIDENT LUEDTKE PRESIDING

PRESIDENT: Prayer by the Rev. Charles L. Wildman, Vine Congregational Church here in Lincoln.

REV. WILDMAN: Prayer.

PRESIDENT: Roll call. While we are waiting for members to arrive and register your presence, the chair would like to introduce Senator Beyer's guests from Papillion High School, American Political Behavior Class, five students, Toby Tortorilla, Valery Hooper, Eric Lambert, Susan Thornhill and Kay Pesek. They are over here. Will the class stand up and be recognized by the Unicameral Legislature. Welcome. Senator Howard Peterson if you would give us your light we will be here, we will be able to be in session. Record the presence, Mr. Clerk.

CLERK: There is a quorum present, Mr. President.

PRESIDENT: Quorum present. Are there any corrections to the Journal?

CLERK: I have no corrections to the Journal, Mr. President.

PRESIDENT: All right, the Journal will stand as published. Any messages, reports or announcements?

CLERK: Mr. President, your committee on Public Works whose chairman is Senator Kremer reports LB 364 to General File with amendments (signed) Senator Kremer.

Mr. President, a study resolution offered by Senator Nichol, LR 90. Read title to LR 90. That will be laid over Mr. President, or referred to the Executive Board, excuse me.

Mr. President, LB 35, 76 and LR 64 are ready for your signature.

PRESIDENT: While the Legislature is in session and capable of doing business, I propose to sign and do sign LBs 35, 76 and LR 64. We are ready then for the first order of business, agenda item number four, resolutions. Senator Beyer, if you are ready, Mr. Clerk, if you will read LR 75 found on page 1718 of the Journal.

CLERK: Read LR 75.