

addressing the first part of this amendment as it has been adopted, I am rising in support of Senator Vard Johnson's particular position and opposing Senator Tom Vickers. Senator Vard Johnson asked me a very pointed question the other day on a piece of legislation that we had before us, LB 850, in regards to the state's liability in certain instances. This bill is not necessarily free of state's liabilities, but by saying that these bonds must be A or better as far as rating goes, this does in fact, protect the state and its entities from the liability question which could arise if you take very high risk type of paper or financing, or in this case, bonds. This is a creative type of financing. It is a secondary market which we need available for our farmers and our rural people. I don't think there is anybody out in agriculture today or in the small communities that are servicing our agricultural communities that are not painfully cognizant of the fact that we need to be able to go other places for financing. This is an attempt to help with that financing by broadening the options available. But when you broaden the options we need to protect the state. We have wrangled back and forth as to the liability, moral or legal as it was presented to us in Commonwealth. I don't believe there is any member of this body that wants to go through that again in any way. By requiring that these bonds be A or greater we are helping those people who do qualify. We give them another option and this frees some of the market or some of the capital that would be available to those rural people who maybe do not qualify for the A or better rating. In fact, it frees some higher risk capital within our financial institutions on the local level in this State of Nebraska. So I know that they as financial institutions will have to find the fine balance, the appropriate level between the higher risk and the more qualified borrowers, but this does leave another market. I do support the A retention for bonding or greater in this particular amendment and, therefore, I am supporting Senator Rod Johnson's and Senator Vard Johnson's position in this particular case. Thank you, colleagues.

SPEAKER NICHOL: Thank you. Senator Remmers, please, then Senator Higgins.

SENATOR REMMERS: Mr. President, members of the Legislature, I rise to support the amendment. I'm not so sure that I support the bill. I think if you check your bill book you'll find that Senator Remmers was the only one that voted against the bill. I'm a little concerned about the state getting into financing, getting into the banking business, but I just want to say that I