

state. Now, technically, sanitary and improvement districts are political subdivisions of the state, however much we may not want to admit that from time to time and they do have...that would mean then that this corporation could invest in those types of obligations. But I think given the history of those types of obligations in recent years, that most of us would understand and feel that we would not want the corporation investing in those types of obligations. And the amendment would simply exclude sanitary and improvement districts. Thank you, Mr. Speaker.

SPEAKER NICHOL: Any further discussion on the Beutler amendment? If not, the question is the adoption of the Beutler amendment. All those in favor vote aye, opposed nay. Record, Mr. Clerk.

ASSISTANT CLERK: 25 ayes, 0 nays, Mr. President.

SPEAKER NICHOL: The Beutler amendment is adopted. Senator Schmit, did you wish to speak further about the bill?

SENATOR SCHMIT: Mr. President, I have already explained the bill. It is a very simple bill and I think if there are no further questions, I would move the advancement of the bill.

SPEAKER NICHOL: Senator Carsten.

SENATOR CARSTEN: I had my light on, Mr. President. I was in hopes that I could...I am a little concerned about this, Senator Schmit, not that I am opposed to conservation work or anything, but it would appear to me that this could obligate a natural resource district financing of these projects and I am wondering, is there any provision for a vote of the district to issue bonds for these conservation projects, or is it strictly left to the decision of the board to do it?

SENATOR SCHMIT: Senator, first of all, the bonds can be issued for a specific purpose, such as they might want to be for a water district and the revenue from that water district then could be used to pay off the bonds. They can also use their general tax revenues to pay off the bonds, but if they wanted to go above their regular levy, which is 3.5 cents per 100, there has to be a vote of the people to exceed that.