

Morehead-Wesely amendment.

SENATOR LANDIS: The amendment is adopted. Senator Johnson, on the bill.

SENATOR V. JOHNSON: Mr. Speaker, members of the Legislature, before I vote to advance or not to advance this bill, I would like to ask one very important question of Senator Morehead.

SENATOR MOREHEAD: Senator Johnson.

SENATOR V. JOHNSON: The bonding allowed by this bill, is this bond...I read the bill and I see it is clear that the bonds are not to be obligations of the State of Nebraska?

SENATOR MOREHEAD: That is correct.

SENATOR V. JOHNSON: They are not to be our debt?

SENATOR MOREHEAD: That is right, and it is said over and over in that legislation.

SENATOR V. JOHNSON: However, is the bonding concept a so-called "moral obligation concept?"

SENATOR MOREHEAD: It is not my understanding that it is that. It is stated in the legislation that it is an obligation of the authority.

SENATOR V. JOHNSON: In other words, under the bonding concept of LB 850, is it within the realm of possibility that in the event there is some default in the bonds that the bondholders could come to a subsequent legislature and say to that subsequent legislature, this was a piece of authorizing legislation, you created this particular authority, you allowed state people to operate this particular authority, and now you are morally obligated to pick up those defaults in those bonds?

SENATOR MOREHEAD: Senator Johnson, for the record, and I am sure that is where you want it, in the record, very clearly, we tried in every way possible, having all of us being very cognizant of our horrible past experience, to specifically, clearly state that this is not an obligation of the State of Nebraska morally or otherwise.

SENATOR V. JOHNSON: So it would be true, then, Senator