

SENATOR V. JOHNSON: ...which you can probably decipher if you look at it real carefully. All I am trying to do, it's very simple, is to take the state out of the Agricultural Revitalization Authority. It's pretty simple. These bonds that the Agricultural Revitalization Authority can issue up to \$100 million by law are not backed by the State of Nebraska. The act says they are not backed by the State of Nebraska, but the act goes on to say that of the money that is raised by the bond sales, enough money shall be put into a reserve to allow for the repayment of principal and interest for the first year of default. The act goes on to say at page 31, to maintain the required minimum capital reserve in the agricultural assistance fund there may be annually appropriated and paid to the authority for deposit in each of such funds such sum, if any, as shall be certified by the chairperson of the authority to the Governor, as necessary to restore each of such funds to an amount equal to the required minimum capital reserve. The chairperson shall annually on or before December 1 make and deliver to the Governor a certificate stating the same, if any, required to restore each of such funds to the required minimum reserve. The act also says, the authority may create and establish one or more special funds to be known as an agricultural assistance fund and may pay into such agricultural assistance funds "any money appropriated and made available by the state for the purposes of such funds." The act goes on to say, if I can read my handwriting, on page 24, "The bonds may be additionally secured by a pledge of any grant or contribution from the federal government", any pledge or any grant from, "the state or any corporation, association, institution or person or a pledge of any money, income or revenue of the authority from any source." So there are three different places in this legislation where I can find the state taking responsibility for some appropriation or some obligation. So even though the bill says the state doesn't have any legal responsibility for the appropriation, nonetheless, the bill is structured in such a form as to give the state the quick ability to appropriate money to take care of a default. This kind of bond that is being authorized as a "moral obligation" bond, it's a moral obligation bond, and by now you and I ought to be familiar enough with that concept to know what to do with it. I don't want some legislature ten years from now having to worry about the moral obligation of bailing out Agricultural Revitalization Authority. So I have a little hand scratched amendment which I think takes out all those small expressions in this bill that deal with the State of Nebraska as such and set up this potential