SENATOR LYNCH: Could I ask Senator Rod Johnson a question, please?

PRESIDENT: Senator Johnson is available.

SENATOR R. JOHNSON: Yes.

SENATOR LYNCH: I know I could just look over and ask you this, Rod, but I guess we have to get this into the...I think it's important we get it into the record. Is there a restriction on who can purchase the bonds? Well, who can buy the bonds? Say for example, could corporations buy the bonds? And I guess so you get the full question, if your bill provides that anybody can buy the bonds and corporations can buy the bonds, does that complicate, duplicate, overlap, make illegal or confuse the 300 issue?

SENATOR R. JOHNSON: Yeah, I understand where you're coming from and I've asked that question during the hearing, whether there was any connections with Initiative 300 and was told that it was not, but Senator Conway is probably better versed in the bonding market than I am.   He probably could better answer your question, Senator Lynch.

PRESIDENT: Senator Conway.

SENATOR CONWAY: Senator Lynch, I believe when you follow through on a bonding arrangement you're dealing purely with a debt relationship and not with an equity relationship, so that shouldn't complicate any of the 300 as we know it or as maybe some of us even wish that it was. So since the bonds are a pure debt relationship they would still and would continue to fall relative to at default, the foreclosure proceedings and so forth would follow through, but they are a debt instrument so, therefore, they wouldn't complicate it.

SENATOR LYNCH: Could I follow through, Mr. Speaker?   Would it at least in principle violate the arguments regarding where and how a corporation should be involved as it applies to agriculture?

SENATOR CONWAY: I don't think so because again we're talking about a debt versus equity instrument. The bondholders have no equity interest per se in the agricultural holdings. They are simply a lender per se. In fact the loans will be originated at regular agricultural lending entities and then those entities