

incorrectly reads the bill. The bill does not authorize any appropriation beyond 20 years, and it does not bind us to do anything beyond that time. As a matter of fact, it doesn't bind us to do it next year, but there is certainly nothing in there. As far as the argument on impairing of contract, Senator Warner, there is no impairment of contract in this bill because the state isn't a party to the bill. We can't be impairing our own contracts if we are not a party to the contract. And, secondly, if we choose not to fund that contract, the municipal bond, then the obligation to fund the bond falls on the city, not us, which means that the contract is not impaired, and if you have a legal judgment of the contract, I would like to see it. I will tell you my years in law school told me that this is not an impairment of contract. As a matter of fact, Kutak, Rock, the foremost bond counsel in the city, in the state, rather, and the Midwest, says exactly the same thing. They say this is not an impairment of contract. They say it has no obligation beyond the expectation of the 20 years, thus, any securities issue with a pledge of MIRF funds will be subject to the risk of nonappropriation by the Legislature, Kutak, Rock states. As presently drafted, 683 provides only for allocations from 1989 to 2009. Beyond 2009, there is no provision for any funding. Any municipality issuing securities with maturities extending beyond 2009, therefore, would have no basis for believing that MIRF funds would be available, and it is unlikely that a market will exist for such securities. In other words, those arguments are simply not true. They are legal arguments that, in fact, the law does not make, but if you want to, there is a simple sentence you can put in page 7, line 7. I will be happy to offer it on General File that makes explicit that understanding. With respect to the question of whether or not, as Senator Hannibal suggests, we should wait for the budget bill, the budget bill is, as you correctly state, your impression of what the priorities of this state is. I confess that you should be entitled to that first offering of priority. However, it is our obligation to be able to compete with your sense of priority, not to be bound by yours and only your sense of priority, and this bill contains the language which is necessary to guide this funding mechanism to be appropriate and allow for bonding to be used against it. As a matter of fact, that is the critical difference because, as Senator Hannibal says, it is true, we could raise aid to municipalities, fair enough. On the other hand, that is not of a nature that is sufficiently guided to justify a bonding authority against it. You lose the very value of the bill if you simply raise aid to municipalities because