

someone's loan in the future or they are not going to bind themselves. There are cases in the past in this state, in fact, one of them dealing almost directly with ethanol plants that occurred back in the late 1970s, and there the court talked about the purpose of the constitutional limitation of indebtedness was to prevent anticipated revenue for the creation of obligations to be paid in the future. In other words, if we are going to make obligations here, we are going to bind the state for years down the road with credit or to become, in effect, a guarantor if something goes bad, we will bail you out, the state can't do that. However, there is a big difference here, and as I went back and looked at some cases dealing with the credit of the state, we do that, in effect, in a variety of ways, and you have to look as to whether there is a legitimate public purpose to do so. We have a statute that I think probably legitimizes the ethanol public purpose that Senator Smith and Senator Schmit have already spoken about. One of the things that it brought to my mind was the tax credits and sorts of things we do with LB 775, the sort of industrial incentives to keep...

PRESIDENT: One minute.

SENATOR KRISTENSEN: ...existing programs going or to build new facilities. I dug through and found an Attorney General's Opinion done back in late 1987 at the end of the session which basically says that those are legitimate things to do. You can use exemptions or tax incentives for the creation of production of existing facilities or for new ones, and that the reason that that is important, and there is a distinction, is because of the public purpose doctrine in there, and there are certainly legitimate legislative purposes for doing what Senator Schmit would do with his ethanol. Now whether you believe in ethanol or not, that is the policy you ought to do your voting on. I don't believe that the Attorney General's Opinion is on point. I think that it misses the mark here in several respects, but, certainly, I think that it is a legitimate thing for the state to do. Now whether it is good policy, you are going to have to decide that when you vote, but the Attorney General's Opinion I don't believe is accurate. I think there are certainly some similarities with the tax incentive programs through 775 that would do the same things. Just because we have...

PRESIDENT: Time.