

be concerned. Ladies and gentlemen, I know of a number of entities in this state who did buy those bonds. I know that those entities have, in fact, suffered a considerable loss of credibility insofar as the state is concerned by virtue of the fact that their investments are worthless. I know of individuals who have purchased both annuities and life insurance contracts with First Executive Life in excess of the \$300,000 guarantee who have been informed that they have no reason to expect any benefits above the guaranteed level of 300,000. Are we, as a State Legislature, who created NIFA, who gave them the power to issue these bonds, to sit by idly and say, we do not care that Drexel, Burnham, Lambert, Mr. Miliken, cooperating with legal firms in this state, put together a \$200 million bond issue along with a \$1,650,000,000 in other states and then proceeded to rip off many, many investors, and we are going to do nothing about it? I think we need to acknowledge by the adoption of this amendment, ladies and gentlemen, that insofar as the obligation of the First Executive's concern, the State of Nebraska expects First Executive to pay off those bonds as they are due in March, I believe, of 1993. If they can't pay those bonds in March of 1993, then we know that 1,750,000,000 due later upon two separate occasions are, of course, worthless. There is just a slim chance, a slim chance, in my opinion, that if we force the issue, that the first \$100 million worth of investors will be paid. I want to say this. I have absolutely no interest, no contact with the bulk of individuals who have invested in this money. Several bankers who have told me they have invested money, they have not asked me for this amendment. It is just something which I have drawn myself because I have reached the point, ladies and gentlemen, where my own conscience tells me we cannot continue to rely upon the individuals whom we hire and grant these authorities to do that which makes good sense. I believe we have all had our confidence shaken sufficiently in the past seven or eight years that this amendment makes sense.

SPEAKER BAACK: Time.

SENATOR SCHMIT: I would be glad to answer any questions that you have. If not, I would move for the adoption of the amendment.

SPEAKER BAACK: Thank you, Senator Schmit. Senator Beutler. Senator Beutler.