

cut down their budget for next year by \$480,000 and put a limit on how much they spend on administration and I can't see where that's an unreasonable thing to suggest that we do. Now that's my amendment and I'd be happy to discuss it, but it seems to me that this is another one of those quasi governmental entities that Senator Schmit talks about that we create and is out there apart from state government and maybe doesn't have some of the oversight that we need to have. NIFA is another example and we've seen problems there and we've seen problems across the country with some of these quasi public entities. Well, I'm not sure that I'd want to say that we have that sort of level of problems with R & D Authority, but certainly we can't ignore and let it go forward without some oversight from this Legislature and I'm suggesting that we spend a little time now discussing that oversight function because I see problems over there and I think we need to spend more time and attention on that problem. So I'm asking that we reduce their budget and put some clamps on their administrative expenditures. I'd ask your support for the amendment.

PRESIDENT MOUL: Thank you, Senator Wesely. Before we begin debate on this amendment, I'd like to direct the senators' attention to the south balcony. Our guests today of Senator Moore are 26 third and fourth graders from Garland, Nebraska and their teacher. Would you please rise and be recognized. Welcome to the Chambers this morning. Thank you. I'll now recognize the senators in the following order: Senator Ashford, Moore, Beutler, Wehrbein and Crosby. Senator Ashford.

SENATOR ASHFORD: Thank you, Madam President, I rise in opposition to the Wesely amendment. First of all, I do...would like to commend Senator Wesely for initially bringing to the Legislature this concept. I think it is an excellent one and I think Nebraska is unique. There are other states that do this but Nebraska is somewhat unique in this kind of program where the state actually takes an equity position in new and emerging companies. Just briefly in response to some of the points that Senator Wesely indicated. There has been, I think, a significant change and I know we heard a great deal of testimony in the Appropriations Committee about this authority. There has been a change in emphasis and in direction in the committee since its inception. For the first four years, there were...approximately \$2 million was invested and there was \$2 million in operational expenses. There were only five deals funded and since that time, 1990-91, the operational expenses