

originally proposed. We have kept much of the original language of the bill but changed, as I say, the philosophy. And the change in philosophy was to remove from the state agency, the Department of Roads, the ability to own a railroad line. It was deemed desirable to put that function into a railway council operating as a separate body politic from the State of Nebraska. The intention is to remove from the State of Nebraska any potential for liability exposure if operations of the rail line were not successful, and you will see several places in the amendment where references to that are made. In fact, there is a specific clause in Section 12 of the bill expressly stating that the state is not liable for the debts, contracts, general obligations, or liabilities of the council. Also in the new section which provides for the council to issue bonds, there is a section that provides that the bonds have to be issued with a statement on their face stating that they are not obligations of the State of Nebraska. So, again, the intention is to remove the State of Nebraska from direct interest. The interest that the State of Nebraska would have would continue to be appointments by the Governor of the members of the council and approval by the Legislature and, of course, funding. The amendment also consolidates some of the original language in the bill concerning standards and criteria. It deletes requirements in the original bill that would have required approval by the Governor of various actions of the council, for example, leases or contracts. And, again, the intention is to limit liability. The amendment also incorporates the funding provisions that are now set forth in LB 783. They replace the original Section 30 that was stricken on Senator Kristensen's amendment on General File. With that, I think that is enough of a description of the amendment. I know that Senator Beutler has some amendments, and that would finish my remarks on the amendment.

PRESIDENT MOUL: Thank you, Senator Wickersham. Senator Wesely.

SENATOR WESELY: Thank you, Madam President. Senator Wickersham, I am trying to recall on this bill, where does the money come from to purchase the line?

SENATOR WICKERSHAM: The 783A, that would be amended, or we propose to amend, would call for expenditures of 3 million this year and 2 million next year from the Cash Reserve Fund, the \$35 million Cash Reserve Fund.

SENATOR WESELY: So it is state taxes used, right?