

more definition about how the fund is going to be used. And then on page 2 there is what is kind of a technical aspect dealing with the loan rate. It would be one-half of the rate of the primary lender participating in the project for which the loan is granted. The definition there, there is no definition of what a primary lender is. I don't know whether that would be a bank in New York or a bank in San Francisco or a bank in Omaha or a bank in Harrison. But you can find out what bank that is or what other lending institution that is if it is the one participating in the project. And whatever their prime rate is, then we'd get one-half of that as a loan rate on the loan from this fund. So that is essentially a better definition. Then down in Section 3 we would add language which tightens up the parameters under which the fund can be used. And Senator Maurstad came over and asked me about it, it establishes two limitations. One limitation is that this fund will not be used for businesses creating new employment of more than 250 employees, won't be used for them. You come to me with an application says I want to create 250 new jobs, fine, do it under Micron, 829, don't do it under this. The other parameter is that at least 75 percent of the fund will be used for businesses with less than 100 employees. And I know that the amendment is stated in reverse, it says no more than 25 percent will be used for businesses employing more than. But the effect is that 75 percent of the fund will be used, has to be used for businesses employing less than 100 employees. Subsection (c), it provides for collateralization of the loans. Did you ever hear of such a thing? Collateral, so maybe you can get paid back. Now it does provide that those collateral agreements can be subordinate to other liens, particularly if you have a primary lender you're going to have to do that. The other thing that we're going to require is that the policies set forth the procedure for applying for a loan or grant from the fund and any other policies necessary for administration of the fund. So I think those are important changes, at least to me they are important, they tighten up the parameters under which this fund can be operated and the parameters under which the Governor can utilize the fund with the guidance of the commission. And I know that Senator Hall has other questions that would still remain. I do thank you, Senator Hall, for allowing this amendment to be brought forward at this time. It is supported, I believe, by the supporters of the bill in its current form, and I would simply urge your adoption of the amendment.

PRESIDENT ROBAK: Thank you, Senator Wickersham. Senator