

1 MR. CLAGETT: I would like to ask whether or
2 not the word, corporation, in Line 18, includes municipal
3 corporations.

4 MR. CASE: It has never been held to.

5 MR. CLAGETT: Would it include authority, an
6 incorporated authority for special service functions?

7 MR. CASE: It has never been passed on by the
8 Court of Appeals. The State never tried to do this. I
9 would assume it would.

10 MR. CLAGETT: These questions are for informa-
11 tion as well as a matter of record. I don't want to
12 debate your answers. I just want to get the answers.

13 The next question I have is, Mr. Chairman, in-
14 the event that a local subdivision, regardless of which
15 one defaulted in its G.O. obligations, could that indebted-
16 ness be picked up by the State as a G.O. obligation within
17 the restrictions prescribed in this last sentence of your
18 draft?

19 MR. CASE: If the State guaranteed it?

20 MR. CLAGETT: No, not if it had guaranteed it,
21 but if on default and in order to save the defaulting