

1 as broad so as to include indebtedness up above and then  
2 he later answered Congressman Miller by saying that the  
3 magic words would be used in this authorizing act. I  
4 wonder if it is the lending of credit, pledging it as  
5 security, even though it be contingent, would that amount  
6 to a general obligation?

7 MR. CASE: Mr. Gentry, indebtedness means in,  
8 effect; the entity that is doing the acting, the moving  
9 entity borrowing its funds from some third person. The  
10 lending of credit means that the moving entity is making  
11 it possible for one third person to borrow from another  
12 third person. This is the distinction between the two.

13 The pledge of credit can be a pledge of the  
14 full faith and credit and irrevocable taxing power, which  
15 would mean that if at any time the first third person  
16 did not pay to the second third person, then the guarantor,  
17 the State, would use its irrevocable, unlimited taxing  
18 power, and at that point of time, an indebtedness would  
19 be created which would be a debt of the State, but until  
20 the default took place, there would be no debt, and it is  
21 for this reason that I suggested to Mr. Sykes that the use