

1 THE CHAIRMAN: Mr. Hoff?

2 MR. HOFF: I don't think it is inconsistent  
3 to say -- I think it is inconsistent to say that the  
4 State can do for somebody else what it cannot do for  
5 itself.

6 MR. SAYRE: But it can do for itself when it  
7 becomes actual under the twenty-five years.

8 MR. HOFF: It can do for itself, issue in-  
9 debtedness only to the extent of a twenty-five year period.  
10 Without that same limitation, it could grant credit or  
11 potential indebtedness and extend that potential indebted-  
12 ness to an unlimited period; for a hundred years if the  
13 Legislature so chose. I think that there is argument  
14 for consistency in putting the same limitation on.

15 I might also say that, and Mr. Case can cor-  
16 rect me, but does not the grant of credit have the same --  
17 an increase in the grant of credit -- have the same  
18 adverse effect on the ratings of the State's obligations  
19 or State's indebtedness as actually the issuance of the  
20 indebtedness itself?

21 MR. CASE: Well, that also came up in the