

1 more faith in the Legislature than to foreclose every
2 possibility.

3 I think we can afford to take the chance, for
4 the very obvious reason that unlike the indebtedness which
5 the first section of this draft talks about, in which the
6 State puts itself directly on the line, with no intervening
7 agency or private third party involved, this is, after
8 all, a contingent debt. Of course, the State could be
9 called to step in. That, of course, is a possibility,
10 but because the likelihood, if the State exercises its
11 authority soundly, the likelihood should not be great.

12 I suppose what I am really saying is in my
13 judgment, to put the limitation in would perhaps foreclose
14 some very valuable and necessary financing techniques;
15 Dr. Jenkins mentioned another example, on the one hand,
16 and on the other, the risk it seems to me is not very
17 appreciable.

18 I believe what it comes down to, I would have
19 more faith in the wisdom of the Legislature over the years
20 and not seek to foreclose all possibilities.

21 THE CHAIRMAN: Now, Mr. Sachs, I would like you