

1 with this important implicit limitation.

2 THE CHAIRMAN: Any further questions?

3 MR. MINDEL: Steve, in your research, have
4 you run across States that were required to stand behind
5 the pledge of a credit, where a State pledged credit and
6 had to come up with it, in recent years?

7 MR. SACHS: I'm not aware myself of a recent
8 occasion when a State has had to come in and secure the
9 initial borrower. I'm sure it has taken place. I believe
10 we are all familiar with the, I think West Virginia Turn-
11 pike bonds, but they were revenue bonds.

12 MR. MINDEL: Some members of the Commission
13 are concerned about the unlimited power the State would
14 have in granting credit and in making payments. I wondered
15 whether in your research you came across where States have
16 been called on in recent years to make payments?

17 I think, Judge Adkins, you were concerned
18 about that. We talked about that at lunchtime. It would
19 be interesting to know what the experience of other States
20 has been.

21 MR. SACHS: I'm afraid I can't say I'm aware