

Mr. GRAY. For the record, let me ask you a question. If this plan were not found to be feasible or economically justified after it went in, who would lose?

Mr. POWELL. I did not quite catch that.

Mr. GRAY. I said if this plan were to be implemented and your revenues were not sufficient to amortize the bonds, who would lose, the bondholders?

Mr. POWELL. We do not envision anyone losing for the simple reason if we got into a situation like that, we would simply—

Mr. GRAY. Stretch out?

Mr. POWELL. No, refinance and issue an additional issue of bonds to take up the slack in revenues.

Mr. GRAY. What about stretching out the repayment period?

Mr. POWELL. Or possibly stretching out the repayment period on the bonds already issued.

You see, these bonds are contemplated, the first issue of \$100 million would only be for a 10-year maturity; the second issue—and they would not necessarily be issued in exactly these amounts, but for planning purposes they are broken up into three basic groups.

Mr. GRAY. You can understand what I am getting at I am sure. No one on this committee of Congress wants to be any part of a so-called "white elephant."

Mr. POWELL. Absolutely not.

Mr. GRAY. Before we would want to even consider a plan of this magnitude, we would want to have some assurance that this is workable and it is a private enterprise, and it would not in any way effect the visitor who comes here in the way of charges and it would be a benefit, not a detriment. I think these are legitimate questions to put on the record.

Mr. POWELL. Absolutely.

Mr. GRAY. Mr. Schwengel.

Mr. SCHWENGEL. Mr. Powell, what kind of interest would you have to pay for this money?

Mr. POWELL. Up to 5 percent, not to exceed 5 percent.

Mr. SCHWENGEL. How would you answer criticism that is bound to come that the bonds you sell for this operation, which is a free-enterprise venture, would be tax exempt, while the operation just below, the railroad company and all their institutions, have been paying full property tax and have not had bonds tax exempt?

Mr. POWELL. The principal answer to that is as soon as the bonds are amortized, we would deed this whole building and the property over to the U.S. Government.

Mr. GRAY. At the end of the 23-year period?

Mr. POWELL. At the end of the 23-year period, or if we had to stretch out the payment of the bonds for another 3 or 5 years, then whenever the last bonds would be amortized, we would turn over this—I have forgotten the figure—\$292 million property to the U.S. Government.

Mr. GRAY. What assurance could we have of that, Mr. Powell?

Mr. POWELL. Well, our suggested amendment to your bill would simply—it is not really an amendment, it is an addition, clauses to effectuate this plan; it contains a clause which specifies in the law that that shall be done.