

March 24, 1971

PRESIDENT: We'll take up LB725. Clerk will read.

CLERK: Read title. LB 725

PRESIDENT: Senator Maresh, can you handle the amendments?

SENATOR MARESH: I'd like to hold this bill up for a few minutes.

PRESIDENT: If there are no objections, the bill will be held over for discussion later on this morning. We'll now got to LB152.

CLERK: Read title. LB 152

PRESIDENT: Chair recognizes Senator Goodrich.

SENATOR GOODRICH: Mr. President, Members of the Body, the only thought I had in mind in this amendment was to make the loan available through a present state agency so that we did not have to create a new state agency. The amendment would also limit the amount of loans that were made from state reserve funds to \$3,000,000 a year. The thought behind that idea was to encourage the present lenders to stay in the market. We don't want them to leave the market just because the state goes into the market. In essence what it boils down to is the fact that about two-thirds of the actual need is being met by private lenders, such as banks, savings and loans, credit union, etc. and the fact for example that the state goes into these loans, the objective is to at least meet the other one-third, except that one third amounts to about 4 million dollars per year, so I deliberately stepped back a million so that we could encourage the private lenders to continue to build their participation in the program. Other than that if we can just see to it that we do not have to create a new state agency to administer these loans, we've got a state agency that is very familiar with the program. I think it would be the most economical way for us to handle this type of loan.

PRESIDENT: Senator Carpenter. (End of belt #5)

SENATOR CARPENTER: (Inaudible) insofar as the amount of students that the present lending institutions are now taking care of. These facts are not only faulty they're erroneous, they're not truthful and they don't represent the (inaudible). The lenders as they now are are not taking care of two-thirds of this. They are not taking care of a tenth of it, in my judgment a twentieth of it. They don't want to do it. They've had the opportunity for years to do it and they haven't done it. I have another amendment which is pending on the Clerk's desk, which is a composite of the recommendation as I understand it of the lending institution of this state, which provides the method and the means by which these loans can be made without restriction, but only insofar as being necessary