

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
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February 20, 1997 LB 273, 720

amendments.

SPEAKER WITHEM: The committee amendments are adopted. Anything further on the bill?

CLERK: Nothing further on the bill, Mr. President.

SPEAKER WITHEM: There are no further lights on. Senator Landis, do you care to close?

SENATOR LANDIS: I do. Senator Matzke turned to me and made a funny remark. He said, I'm authorizing the Orange County problem. In fact, Orange County did invest in derivatives. However, they did so for speculative purposes, for the purposes of getting a big return. The only authorized investment in derivatives that we're allowing is for "hedging", which means to cut risk. And that's because, as you know, the assets of an insurance company are used to justify the book of business that they're writing. So, we don't authorize insurance companies to go out and enter into the derivative market for the purpose of making a big return. They're going to have to look someplace else for their big returns. They can go there to modify and minimize the risk of their portfolio, however, and that is the authority that we're giving them. I would ask for the advancement of the bill.

SPEAKER WITHEM: You have heard the closing. The question now is, shall LB 273 be advanced? All in favor vote aye. Opposed vote nay. Record, Mr. Clerk.

CLERK: 27 ayes, 0 nays, Mr. President, on the advancement of LB 273.

SPEAKER WITHEM: LB 273 advances. LB 720.

CLERK: (LB) 720, Mr. President. Introduced by the Transportation Committee and signed by its members. (Read title.) The bill was introduced on January 22, referred to the Transportation Committee, advanced to General File. There are committee amendments, Mr. President.

SPEAKER WITHEM: Senator Elmer, I understand, as the Vice Chair