

LE 270  
days. I have no objections to Senator Carpenter's unanimous consent motion to bracket the bill.

SENATOR CARPENTER: May I ask Senator a question, another question?

PRESIDENT: Just a second. Okay, go ahead, Senator Carpenter. Go on. Go ahead--you--

SENATOR CARPENTER: The only thing I'd like to suggest that maybe we should hold these things until the budget bill comes on the floor. Now, Senator, do you know when the budget bill will be here? I guess it's out of your committee.

SENATOR WHITNEY: The budget bill has been moved to the floor. I don't know whether it's been received here or not but it's been moved to the floor several days ago.

SENATOR CARPENTER: The only--I want to make it emphatic--the only thing I have in mind: We ought to consider this whole problem collectively and not piecemeal and when the budget bill comes out here, you have a position of trying to progress and then we have no provision, as I know of, for the use of money to make student loans and nobody as I know it, has been able to earmark this \$30,000,000 or whatever it is, from the Federal Government. I'm in favor of your bill and I don't want to be in a position of doing something that's not congenial in this case, but I do think if we could look at this overall problems, loans and grants in a composite package when the budget gets here, then I think we'd be in a much better position to do something realistic and understand what the cost might be and actually what we're doing.

SENATOR WHITNEY: Mr. President, may I speak just a moment?

PRESIDENT: Go ahead, Senator Whitney.

SENATOR WHITNEY: My own personal feeling is this: That we should have a constitutional amendment that makes it possible for this Legislature to borrow money for the purposes of making student loans. Then we can get money at the present time for about 5%, then we can loan it out and obtain about 7%. The difference is 2% is about what it takes for expenses so we can break even and I feel that this is what this Legislature should do and then temporarily I feel that for the next year, this Legislature should vote \$2,000,000; \$3,000,000; I don't care what the figure is, for low interest rate loans to students and that this amount of money eventually be expected to be paid back but it would be based only on needs. Now the problem is that with the present student loan program of the Federal Government, they guarantee the loans but, you can have any amount of income practically and still obtain the loan whether you need it or not and so it behooves each and every student to get a loan because then they can put this money out at interest and they pay zero rate of interest and if a student can get say \$10,000 from the State for a 4 year course and then pay zero rate of interest and then put this money out at interest at 6%, why obviously, you can see that they can make a sizeable amount of money and so, I feel that if the State goes into this, that we should base it only on need. If we're going to use Nebraska's taxpayers' money for this purpose and so I feel there's two avenues we can take and that is, get a constitutional amendment for, giving the Legislature power to borrow money to make these low interest rate loans and then temporarily, let's put up a few dollars, let's take the responsibility and make these loans.

PRESIDENT: Senator Barnett, Senator Carpenter's asked to bypass the bill. Do you still want to speak on it?

SENATOR BARNETT: I'd like to, Mr. President, just speak to a point of information for Senator Carpenter.

PRESIDENT: Go ahead.