

January 15, 1974

(Start Belt #8)

SENATOR MARVEL: Now, Mr. President, I have an amendment which I'd like to have printed in the Journal and then take up the bill on the 24th instead of the 17th.

PRESIDENT: Run that number by...LB323 you want to hold until the 24th? Changing from the 17th to the 24th.

MARVEL: The 24th and that's unanimous consent that it be bracketed for the 24th and that the amendment that's on the Clerk's desk be printed in the Journal.

PRESIDENT: Are there objections to further bracketing LB323 until 1/24 with...put the amendments in the Journal? Any further discussion? It is so ordered. General File debate of LB396.

CLERK: Mr. President, LB396 read.

SENATOR CARPENTER: As the Body probably recalls, Senator Whitney and I had a discussion on the floor. Since that time as all reasonable people should, we arrived at a compromise. And this compromise is reflected in the amendment, the last amendment which now becomes the only amendment. So I asked unanimous consent to withdraw all of the other amendments that I had and to substitute the one on the Clerk's desk. And that ought to explain it.

PRESIDENT: All right. Are there objections to Senator Carpenter's withdrawal of all the other amendments now and the substitution of this one. Are there any objections? Hearing none, so ordered then. The other amendments are withdrawn. We now have the one Carpenter Amendment on the desk.

SENATOR CARPENTER: I hope Senator Whitney will become a part of this because he was agreeable and gracious enough to make a compromise. What this amendment does, for example, on the commercial paper. That's the paper, for example, which is issued for short term in large amounts and generally bearing reasonably high rates of interest, 8%, 9%, depending what the condition is. The present law permits that to be 270 days or 9 months. The first idea I had was 30 days and then 90 days. Now, this amendment is for 120 days. Senator Whitney and I both recommend to you that you accept what we have offered providing you agree with us. Then, in the common stocks, we have agreed, for example, that by a compromise that they invest not more than \$25 million dollars in common stocks. The amount they now have invested is \$20 million dollars, approximately. And I am sure that the Investment Council and particularly the investment man himself will not do anything beyond what prudent judgment will indicate he ought to do. And, I think this is a realistic compromise. The other...one of the other things is that we have agreed, as I recall, that in the area of common stocks no one corporation should have more than 5% of the total amount authorized in the limitation. And, the other things is that the investment officer would be paid not less than \$25,000. Now, I realize that this Body is somewhat concerned about salaries. And, rightfully so. Now, the man's predecessor got \$27,500 and it's my humble opinion and I would presume without knowing that Senator Whitney would indicate that probably this man is worth at least at much. Now, I have no idea what the Governor of the State of Nebraska will do in the area of approving these salaries. Because ordinarily this is within his own province. And, to some extent, I would be the first one to admit we are encroaching upon one of his prerogative and I hope we would consider this favorably. Now, this man last year on a collective sense in adding up all the stocks and the bonds he bought and sold invested a billion three hundred million dollars (\$1,300,000,000.00) of the people's money. And, now that's a tremendous responsibility and obviously investment council must of necessity rely upon his judgment the same as we do many times on those which we employ in order to advise us. And, I don't think this is enough but again it's a compromise. We are hopeful the Governor will be understanding and we will hope that the investment board will go to him and intervene to the point that he accepts not only the bill but the salary. Now,

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