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might say blue chip firms which are not apt to have any losses in their own firms. Those firms which are registered by an agency which studies their solvency and so we are very careful with what firms we deal that they will continue to be solvent and that they give services for this fee.

SENATOR NORE: I'd like to ask another question. Doesn't the government require them to be solvent?

SENATOR WHITNEY: Yes, and there are insurance and they have to have an insurance policy within the securities association. However, they select those that will give them the most service in reference to advice on various securities.

SENATOR NORE: Well, now, you've mentioned several times that this stock has been bought to be kept. How come there's such a big turnover?

SENATOR WHITNEY: Senator Nore, there....

SENATOR NORE: There's only one day the Body talked to keep them. Which I think is good but still you had a big turnover in common stock.

SENATOR WHITNEY: Senator Nore, there has not been a big turnover.

SENATOR NORE: There's been a turnover.

SENATOR WHITNEY: What?

SENATOR NORE: There's been some turnover.

SENATOR WHITNEY: Well, you see, what....prior to October 19, 1971, a portion of this money, the school teacher's funds, for example, was in the hands of a group of bankers and insurance companies. And,.....

SENATOR NORE: I've heard that but what...I want to hear what's current now.

SENATOR WHITNEY: Well, what I'm trying to say is that now that we've received this back, there hasn't been a turnover since we have received this back from that.

SENATOR NORE: Since what?

SENATOR WHITNEY: Since we've received it back from them there have not been very many sales of stocks. It would be only those that they felt.....

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were definitely not prudent to continue to invest in.

PRESIDENT: Senator Kelly. We're discussing the Carpenter Amendment. LB396.

SENATOR KELLY: Mr. President, and members of the Body. I would rise in support of the compromise amendment, not that the compromise amendment is satisfactory, but it's the most satisfactory that we're going to have at this time. I believe this Legislature owes a debt of gratitude to Senator Carpenter for bringing this important question to our attention by his amendments to Senator Whitney's bill. I believe that these two principals have solved their differences in compromise, however, there is very definitely a conflict of intent between what the investment council has been doing and what the members of the Legislature think that they should do. The example I would use is if a fund has a million dollars in it and they have \$100,000.00 to invest, the statutes say that they invest 40% of the total money available at that time. Now, my interpretation and the people of the floor that I have talked to, that would be \$40,000.00. The interpretation that the investment council uses is that they have \$1,100,000.00 available for investment. Therefore, they could buy \$440,000.00 worth of common