

January 15, 1974

SENATOR WHITNEY: The average comes out to 17% because they have 0% invested in the permanent school funds and 0% invested in the short term funds which the state treasury gives to the investment officer which last year averaged \$93 million a day.

SENATOR DICKINSON: So those funds that do have investments in common stocks are actually about 30% instead of 17%?

SENATOR WHITNEY: Most of them excepting the Veterans Aid Fund which is about 13.8%.

SENATOR DICKINSON: Thank you.

PRESIDENT: Now, any further discussion of the Carpenter amendment? Senator Carpenter is closing now on his amendment to LB396. Go ahead, Senator.

SENATOR CARPENTER: In order to attempt to make it clear, the common stocks are limited to \$25 million. Within the \$25 million, the investment board can allocate what the judgment says in any area of any trust fund or any other fund percentage wise. They can take or put 100% if they wanted to. But, they're limited to \$25 million and then the board has the discretion of putting whatever percentage they might want to in their judgment in any specific fund they want. So in that case the 17% and those specific funds could be 25 or 30 or 40%. We do have to try to tie the hands of the investment board in the area of how much stock they can have in specific funds. The limitation is only \$25 million of the total amount of money available which is about, I guess, about \$130 million dollars. Now, I would hope and recommend this Body would take the recommendation, the compromise, this is a highly important bill and I think we are all better informed now than we were before we discussed it. I move that the bill be advanced to E & R.

PRESIDENT: Senator Kelly, that was Senator Carpenter closing on his amendment. Now, do you have a technical question or one rising from order?

SENATOR KELLY: I would have a question of Senator Carpenter regarding the study or review by our post-audit committee.

PRESIDENT: Well, does it relate to this amendment? At this particular time?

SENATOR KELLY: That would be for your judgment, sir.

PRESIDENT: Well, I don't think so. He closed on this and I asked twice and I backed up for Senator Dickinson because I didn't see his light on, etc. but I mentioned twice that he was closing. If it's a subject, let's bring it up after the amendment. We're trying to move the amendment here.

SENATOR KELLY: Thank you.

PRESIDENT: The question is, shall the Carpenter amendment be adopted to 396. We'll try it by voice vote. All those in favor, say aye. Those opposed, say no. So ordered then, the amendment is adopted. Are there other amendments then to the bill?

CLERK: None, Mr. President.

PRESIDENT: All right, then, Senator Kelly. Do you have a question of Senator Carpenter?

SENATOR KELLY: Senator Carpenter, do you yield to a question? Senator Carpenter, would you agree with the idea that our post-audit committee should take this up as it's first order of business?

SENATOR CARPENTER: I don't understand.

SENATOR KELLY: To see how the investment council has been working according to what the Legislature thought they were asking them to do.