

March 5, 1980

LB 793

SENATOR LEWIS: Well, let me ask the question.

SENATOR JOHNSON: Sure.

SENATOR LEWIS: Does your amendment encompass the idea that there would be investments of local political subdivisions into credit unions the same way they are in banks?

SENATOR JOHNSON: My amendment only allows the money made available to the state investment officer for investment purposes to be invested in credit unions just as it presently is investable in a whole host of different things including common stock.

SENATOR LEWIS: Now is the next thing going to be that we also invest that, we take that down to the local level and make sure our investments are there? This concept frightens me a little bit in terms of where we are going with our entire financial relationships between public entities and financial institutions.

SENATOR JOHNSON: I can appreciate that.

SPEAKER MARVEL: The motion before the House is the adoption of the Johnson amendment to LB 793. Senator Johnson, do you want to vote on your amendment?

SENATOR JOHNSON: Yes, yes, Mr. Speaker. I would like to close though. I think some legitimate questions have been raised and I will seek the answers to those questions in terms of the exact extent of the guarantee. What I should say simply though is that this...all this does, all my amendment would do at this juncture is to add, is to allow our state investment officer to make investments in credit unions to the extent that those investments are insured by the National Credit Union Administration. Now if one looks through the shopping list, I mean the literal shopping list, of the kinds of investments which our state investment officer may now make, one will discover that the state investment officer can put our money in common stock. It is sitting there right now. One will discover that our state investment officer can put money into corporate bonds. One will discover that our investment officer can put state money into building and loan accounts, into savings and loan accounts and right on down the line. I mean it isn't as though we have said that our investment officer can only put our money into gilt-edged securities. We have given our investment officer a tremendous latitude