

May 18, 1981

LB 543

PRESIDENT: LB 501 passes. The next bill on Final Reading is LB 543, Mr. Clerk.

CLERK: Mr. President, I have a motion on the desk. Mr. President, Senator....

PRESIDENT: Read the motion.

CLERK: Mr. President, Senator Goodrich would move to return LB 543 to Select File for a specific amendment. The amendment would read as follows: (Read the Goodrich amendment as found on page 2068 of the Legislative Journal.)

PRESIDENT: The Chair recognizes Senator Goodrich.

SENATOR GOODRICH: Mr. President and members of the body, first of all I apologize for having to do this on Final Reading, but when this was on Select File I had the motion ready to go and then all of a sudden we dropped 24 votes...24 bills rather and picked this one to advance off Select File and frankly caught me off base. The motion that I am proposing that we make is to set a limit on the moderate to low income family income to whom these loans can be made and go from the \$28,000 figure set by the fund down to the average, excuse me, average median family income for the State of Nebraska. Now the fund actually sets...uses rather three criteria for setting this median income, but right now if you average the three it's about \$19,000 a year. This would mean that none of these mortgage, these mortgage loans, can be made to families with incomes over \$19,000 approximately per year. However, doing it this way where you set the median income, you don't set a specific figure, then the median income can fluctuate and the fund has a guideline with which to operate. For example, I would like to quote to you from the Nebraska Supreme Court's decision on this particular case, and Krivosha himself says when he is ruling on this particular program, says, each program is intended to enable mortgage lenders to use a new source of capital solely for the purpose of marketing mortgage loans to persons otherwise unqualified for mortgage financing because of insufficient personal or family income. In other words, if the fund stayed with...as the Supreme Court has said, or as Chief Justice Krivosha has said, to people as intended by the original purpose of the statute itself, if they would have stayed within those guidelines, it would have been all right, and the problem now is that in 1979, for example, the Fund Board set a limit on these particular loans of \$22,000 and this year the limit has been raised