

to \$28,000. Now the purpose of the law...the original bill itself and I am referring back to LB 543 of previous sessions, said low and moderate income persons shall mean persons irrespective of race, religion, creed, national origin or sex determined by the fund to require such assistance as is made available by Section 76-1601 to 1651 on account of insufficient personal or family income taking into consideration without limiting the generality therefore to such...as such factors as, and it continues the factors. And then (e) of the factors is the ability of such person to compete successfully in the normal private housing market and to pay the amounts at which the private enterprise is providing sanitary, safe and uncrowded housing. Well, that is what gave rise to the problem, and two lenders, for example, gave some time to researching the loans made in the first issue of this particular fund. One lender came up with a figure of 65 percent of the loans serviced by them had been made to persons with over the median income. The other lender had, 80 percent of the loans they were servicing had been made to persons over the median income. If you stick with the original purpose of the loan...of the law rather, for setting up this mortgage fund, and then you make 80 percent of your loans to people over that median income, over the qualifications for that original statute, that is what gives rise to the problem. Now let me repeat for you one thing and that is that saying it this way, saying it that in no case shall the level of low or moderate income shall...level of low or moderate income as defined by the fund, that's the board, exceed the median family income for the State of Nebraska. If you word it that way, that is constantly going up and consequently you have got flexibility built into the statute and you can actually...you actually then are giving the Fund Board the flexibility to raise that every year because it is automatically done. But yet you are living up then to the original purpose of the fund, number one, but, number two, you are also providing the assistance to those that are unable to get it elsewhere, and you are not jumping into the market of those, for example, that are able and are qualified to get it from private industry. For that reason, I ask you to adopt this amendment.

PRESIDENT: The Chair recognizes Senator Schmit.

SENATOR SCHMIT: If Rex will go along, I will give it some consideration. Mr. President and members of the Legislature, in regard to the Goodrich amendment, I would have to oppose the amendment. I would suggest perhaps that from time to time there may have been a loan