

May 17, 1985

LB 614

SENATOR SCHMIT: I move the adoption of the specific amendment as outlined.

SPEAKER NICHOL: Okay. You've heard the motion. All those in favor vote aye, opposed nay. Record, Mr. Clerk, please.

CLERK: 37 ayes, 0 nays on adoption of the amendment, Mr. President.

SPEAKER NICHOL: The Schmit amendment is adopted. Senator Schmit.

SENATOR SCHMIT: Mr. President, I move the bill be readvanced.

SPEAKER NICHOL: Thank you. You've heard the motion. All in favor say aye. Senator Beutler, for what purpose do you rise. Excuse me, just a minute. Now.

SENATOR BEUTLER: Mr. Speaker, members of the Legislature, just a quick question if I may, Senator Schmit. I'm trying to read through this quickly. With regard to the use of securities to cover deposits, does it require securities? How does that work? Does it require securities in the entire amount of the deposits in excess of FDIC, or can you just describe how it works.

SENATOR SCHMIT: They are required to be pledged, just like the counties and the cities do, up to 110 percent of the amount of uninsured funds that are deposited.

SENATOR BEUTLER: And how are those securities valued? By their...

SENATOR SCHMIT: I would guess at par value, I would suppose, bonds, et cetera.

SENATOR BEUTLER: At par value?

SENATOR SCHMIT: At market value, market value, yes, sorry.

SENATOR BEUTLER: And how is the determination of fair market value made on those? Is that the investment officer, does he have to...(interruption)

SENATOR SCHMIT: I would guess it would be made at the time