

SENATOR CARPENTER: It's not there yet.

PRESIDENT: It's still in committee.

SENATOR WHITNEY: It's been passed. It, it was, it was moved to come to the floor the same day it was heard.

SENATOR CARPENTER: Mr. President, can I interject a--

PRESIDENT: Go ahead, Senator Carpenter.

SENATOR CARPENTER: If you care to apply, I hope you would. This is on the same subject, but it's a little broader area. We got quite a problem, at least I think we have, in the field of higher education in which the Federal Government has eliminated, as I understand, in whole or part, many grants. In addition to that, the Federal Government is also now guaranteeing student loans both as to interest and principal. Now on the short term loan which the investment counsel is now making, they're making for the most part on short term loans. By that I mean 2 or 3 days or 2 or 3 months, about 7% or more than 7% which is more than the average they make but then we get into the problem, if we use that money by the direction of this body, those people who have the money in the first place like the teachers as an illustration, I'm sure they wouldn't want to have deducted from that interest the administration for, of these student loans because it would probably run 1 or 2%, I'm just guessing at that. On the other hand we got the problem, what are we going to do to keep these kids in schools. Now this is a broad issue and we, the only, there are two answers to it; we either use the money in my judgment, that the investment board now has and will have, which is enough to fund these student loans and then the Legislature would undoubtedly have to, through the general fund, pay the administrating cost which is considerable or; the other alternative is, is for this Legislature to raise \$40 or \$50 million dollars in order to make the loans guaranteed by the Government to that type of a revolving fund. I think we have to do one or the other and I don't want to pass over this opportunity for this body to take the responsibility to make that final determination.

SENATOR WHITNEY: Well, my--

PRESIDENT: Senator Whitney.

SENATOR WHITNEY: --my response would be that we could take that up on L.B. 499 because it's already been advanced before. Apparently the Chairman's just simply hasn't had time to put it out here.

SENATOR CARPENTER: I think it's going to be a controversial bill, if it's Senator Barnett's bill as I recall, because it goes further than I think the State should go. I don't think the State should make any loans for any tuition unless the Federal Government guarantees all aspects of principal and interest. That's just my opinion and the other bill, as I recall, doesn't do that, it goes beyond that and I'd be the last one, really, who would want to take a position against the veterans from the Viet Nam War, but I, I think that's going to be my position; that we do it as we've always done it and not by a new method which would give them 3% loan. I don't know how much money that would apply to, but considerable. I, I can't agree to your request, Senator.

PRESIDENT: Senator Whitney.

SENATOR WHITNEY: So far as I'm concerned, we can lay it over. I thought this was going to be just a very simple bill but I want this body to know that I'm not in favor of the particular amendment which Senator Carpenter has there. I want that this Legislature take the responsibility of voting tax money for the purpose of giving these loans to people rather than to jeopardize