

March 7, 1980

LB 909

on the investment and that resulted in a loss rather than to wait before actually retiring the investment. So we concluded and that was the reason for the amendment, that it would be better to leave investment practices as they presently are rather than to make the fairly restrictive change that the bill itself called for. On the other hand there were other items in the bill that seemed to us to be of great merit and it is for that reason that they remain but we did, through the committee amendment, remove Section 1 of the bill. I would move the amendment.

SENATOR MARSH: All those in favor...excuse me. Senator Carsten.

SENATOR CARSTEN: Madam President, members of the Legislature, I would like to ask either Senator Johnson or probably Senator Maresh, I am a member of a cemetery board. We do have a perpetual care fund and have a trustee of that fund but the trustee can take no action relative to the fund principal without confirmation or approval of the board. Is this an exception to the rule or is this uniform as far as you know?

SENATOR MARESH: Senator Carsten, what happened with this cemetery trust fund, the trust company invested the money in stocks on the market and the stock went down and they lost quite a bit of money and lost the interest so what we are doing, we are specifying what kind of investments they have to be. They have to be, the state as provided in Section 24-601.04, like retirement and pension funds and other than the funds held by the corporate trustees so it would be more of a safe investment if they would...if we would change this law so I oppose the amendment. I think we ought to specify...these people put this money in a trust. Say if somebody passes away and they give the money to the cemetery that it isn't for the trust company to be playing the stock market. It ought to be invested in safe investments. That is why I had the law amended in this bill to provide that they shall be safe investments.

SENATOR CARSTEN: That was the intent of the original bill.

SENATOR MARESH: Yes, we are losing the intent of the bill if we amend the bill like we are in this committee amendment.

SENATOR CARSTEN: Thank you.

SENATOR MARSH: We are now ready and we will vote on the amendment to LB 909. Senator Marsh voting aye.

ASSISTANT CLERK: Senator Marsh voting aye.