

May 18, 1981

LB 543

five hands? I do. The question is, shall debate cease? All those in favor vote aye, opposed nay. Have you all voted? The question is, shall debate cease on the Goodrich motion to return? Record the vote.

CLERK: 26 ayes, 3 nays to cease debate, Mr. President.

PRESIDENT: Motion carries. Debate ceases. Senator Goodrich, you may close on your motion to return.

SENATOR GOODRICH: Thank you, Mr. President and members of the body. In closing I would like to make about three points, one of which is you all received the handout from Senator Koch this morning and I will quote from that handout. It says, "If the Fund abuses its discretion in making income determinations, it is certainly the prerogative of the Unicameral to legislate limits". When you analyze the loans that were made in the first issue and in one lender it was 65 percent of the loans, the other lender it was 80 percent of the loans that were over the median income, these were loans made to people that could have gotten it in the private market, that is an abuse of the original intent of the legislation itself, which was to provide for that segment of the market that could not be met elsewhere. By doing this, by going over that amount of income limitation, \$28,000 per year is not low income. Consequently, there is an abuse being exercised and the board actually voted 4 to 3 against this amendment. However, that means that almost half of the board itself disagrees with the policy of the Fund of making loans up to \$28,000 income...of loans to people with \$28,000 income. So, consequently, there is an abuse already and it is for that reason that I am suggesting that we put in the ability...a flexible limit that would serve as a guideline to the Fund Board and it would put this whole loan fund back into the category of loans where the original statute as I quoted to you actually states that it should be. That's what we passed it for and that is where we should be. And it is for that reason since they have gone beyond that in setting \$28,000 a year income, they have jumped into the private market, the market that can be met by the regular lenders, and it is for that reason that there is an abuse and for that reason, as Senator Koch's handout says, we have the duty almost to do this. For that reason I ask the adoption. Thank you.

PRESIDENT: The question then is the motion to return for a specific amendment to LB 543. All those in favor vote aye, opposed nay. Have you all voted? I remind you, you are on Final Reading, so there is no need to have a