

## LEGISLATIVE BILL 379

Approved by the Governor April 10, 1989

Introduced by Hartnett, 45

AN ACT relating to school funds; to amend section 79-1308.01, Reissue Revised Statutes of Nebraska, 1943; to authorize investment through repurchase agreements; and to repeal the original section.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 79-1308.01, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

79-1308.01. (1) Any school district may by and with the consent of the board of education of ~~such~~ the school district invest the funds of the school district in securities the nature of which individuals of prudence, discretion, and intelligence acquire or retain in dealing with the property of another. Every school district having invested in such securities shall deliver the same as funds of the office. The interest received on any investments authorized by this section shall be credited to the fund from which the money was taken to make the investment.

(2) The securities referred to in subsection (1) of this section may be invested in through repurchase agreements. Each repurchase agreement shall require that the items purchased through the repurchase agreement be subject to repurchase from the school district upon demand by the treasurer of the school district. No such repurchase agreement shall be entered into until the treasurer of the school district who proposes to enter into the repurchase agreement has received a perfected security interest in the securities as collateral for their prompt repurchase.

Sec. 2. That original section 79-1308.01, Reissue Revised Statutes of Nebraska, 1943, is repealed.