

amendments to LB 48 in the Journal. (See pages 492-95 of the Legislative Journal.) That is all that I have at this time, Mr. President.

PRESIDENT: Fine, shall we go on to LB 221, please.

CLERK: Mr. President, LB 221 was a bill introduced by Senator Weihing and Senator Baack. (Read title.) The bill was introduced on January 9, referred to the Banking, Commerce, and Insurance Committee, advanced to General File. I do have Banking Committee amendments pending, Mr. President. (See page 446 of the Legislative Journal.)

PRESIDENT: Senator Landis, are you going to take up the amendments first?

SENATOR LANDIS: Yes.

PRESIDENT: All right, Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, LB 221 is a bill that makes clear how cities will be able to determine the securities that they may invest their surplus capital in, and the problem was brought to us by Senator Weihing and Senator Baack because the statutes are now unclear. They are unclear for a very interesting reason. In 1961, we passed a provision that says cities may invest in the same things that the Board of Lands and Funds can invest in, and we haven't changed that provision. In the intervening years, however, the Board of Educational Lands and Funds have had their list of approved investments done away with and their money has been invested by our State Investment Officer. The State Investment Officer, when they were first created as an entity, was given a list of appropriate investments to make. Since those early days, the investment officer's responsibility has changed and we have substituted what is called the prudent man doctrine, although now should probably be called the prudent person doctrine. The prudent person doctrine is found in our statutes in 77-1243, I think the number is, and it says, basically, that investments will be done with an eye toward security, that somebody with special skill, special knowledge, and exercising all of that skill, would make an investment of public funds. In other words, it requires a lot of skill and an eye towards making sure that your portfolio is secure, but that it is largely a matter of the freedom of the market that one can take advantage of in