

this prudent person doctrine. Well, what about the cities? Where do they fit into this? They fit in because they are piggybacking on old Boards of Lands and Funds language, and the Boards of Lands and Funds language has been changed to reflect this new investment officer concept, which in itself has changed because their statutory rule has gone from a laundry list to the prudent person doctrine. Some city attorneys in interpreting this line make the logical leap that, well, all right, if you trace that thread through, it is all right, whatever the State Investment Officer can now invest in is legitimate with cities. Another camp of city attorneys say, no, we are stuck. We are stuck because the 1961 statutory authority is still on the books. They asked the Attorney General's Office for some assistance at one point. The Attorney General's Office opined, you not only have to follow what the Boards and Lands people do but you have to follow what they did in 1961 and not anything since then, and you have got two camps of city attorneys out there, and you have what actually I can only refer to as the nonsensical conclusion by the Attorney General's Office, but that is a little editorializing on my part, but that is what brought this bill to the committee. And Senator Weihing has proposed that we simply say the investment officer's authorized investments will be reduced to a list. That list is the list that cities may draw upon and they may invest their funds according to the list approved by the investment officer. That is what the bill, itself, says. Omaha comes in and says, fine, with the bill, we like the bill, but we also have specific authority for metropolitan class cities to put their monies in CDs if they wish to. We don't want the passage of 221 to jeopardize our existing stand-alone authority. Would you amend 221 to put this special authority in for Omaha. The committee agreed to do so and that is the amendment that is up for grabs right here. One change I want to add to you as you conclude our discussions of this bill, because of an oversight, your bill book committee report is inaccurate in its listing of proponents and opponents. I just checked it and saw a mistake. There was a bill, 321, and the listing of proponents is the listing of 321, not 221. Let me read to you, and your bill books will be changed, I am sure, the appropriate list of proponents; John Weihing; Lynn Rex on behalf of the League of Municipalities; Jerry Prazan on behalf of the City of Omaha, they favor the bill, they want this amendment that we are up for voting now; Randy Gates representing the City of Norfolk, Finance Chairman; Jack Vavra from the City of Lincoln, Finance Director; and Don Mathes, the State Investment Officer. There were no opponents.