

and there is at the present time a lawsuit pending as to the constitutionality of that procedure. There are also several opinions, some of which you have before you, others which you will find I'm sure will be readily available, if and when you decide to argue that case you can find an opinion that reinforces almost any kind of...or any point of view which you have. And you can argue from your own position. I would suggest that at the present time roughly the appraised value of the school land is somewhere in the area of \$300 million. We received somewhere around \$17 million of rental income, about \$2 million or a little less, one million eight, goes for the...to support the Board of Lands and Funds and their administrative procedures. Between five and six million, almost six million goes back to those local schools in lieu of tax, which leaves about \$12 million, give or take a million, for income to all the school children in the State of Nebraska from the rental of school lands. Now Mr. Mathis, who is our State Investment Officer, has consistently received about a 12 percent rate of return on the school lands, pardon me, on the other monies he has invested. If you just took that 300 million and multiplied it by 12, you can see we would receive approximately three times as much income from the investment of the school lands...receipts, if they only brought 300 million, as you would receive if you sold them, or pardon me, as you receive when those funds...when those lands are held in trust by the children...for the children. Let me point out also that I believe the lands would be more, and let me tell you why. We all know the natural inclination of a farmer is to buy land. We all know that if there is a piece of land between Senator Moore's farm and my farm, and it's valued at \$1,000 an acre, each of us has a tremendous tendency to want to buy that land, and we have a tendency to pay more than it is worth. Be that right or wrong, it is a fact of life. And for that reason I believe the school lands not dumped on the market en masse, but sold in a prudent manner, as the leases come due, would bring back to the state far more than the \$300 million of appraised value. Now if I were the individual who was in charge of managing the lands I would dispute that, and he has every right to do so, and he does so with some elegance and some eloquence. But I would just suggest, go back and check your own records, check the facts and find out if what I have said is not borne out in truth. Therefore, school lands could, I believe, bring between \$500 million and \$600 million, and of course there will be those who will speak ridiculously, who will say that number is ridiculous. Let me point out, speaking with Mr. Jack Mills