

SENATOR WEIHING: Now Senator Haberman brought up the fact that land is always there, and it always have a value, some value, it does up and it goes down. Of course over time it has gone up in value. But now with regards to the sale and having the money and investing it, how do you perceive that this...actually once you have a body of money, you can continue to build on that and still have interest, this we all recognize. But having this within the state realm, how do you perceive that this could be handled so that it get done wisely and judiciously?

SENATOR SCHMIT: Well, as you said, Senator Haberman said the land is always there. The thief can walk over it, the wind can blow over it, it is always there. But why is it there? It is there for the benefit of the children. When the land was deeded to the children, under the federal grants, land was, of course, preeminent as a resource, as this country was agricultural in nature. And to you and I land has a particular value which, in some cases, far transcends actual value. My home farm has a value much greater to me than it does to my neighbor. But we do have today, and we must recognize that because of a variety of changes in the monetary system, that what was once a fair rate of return, 4 to 5 percent on agricultural land, which is about all, as you and I know, that agricultural land will return year in and year out, that was a fair rate of return. It was also considered a fair monetary return for interest at one time. Today, because of interest bearing checking accounts, because of a variety of other interventions, the deregulation, as they say, of the cost of money, rates of return vary from 8 to 14 percent, and, as I said, our investment officer, Mr. Mathis, has consistently earned in excess of 12.5 percent. I think that is the most important issue we have to look at here today.

SENATOR WEIHING: Thank you. I support looking at this...

PRESIDENT: One minute.

SENATOR WEIHING: ...measure. And, as has been brought out, we can continue to build on that reserve. There are many things that have to be looked into. As with anything that is new, we have to look into it and to the future and devise the best that we can. As I see it, we certainly would have to have the protection against any of the agencies or other parts of our state government wanting to dip into this. Any time there is a pile of money out there, a pot of money out there, there are going to be others that are wanting to be getting into it, into