

forward in this area because their contract that would have brought in some expertise from outside of the state to deal with this issue was denied by the Governor, and the Governor found a section of law that hadn't really been looked at much and which was invoked much to the surprise of the Investment Council, not realizing that the Governor even had that authority to approve contracts for investment advisors and so the whole effort in this area I've just outlined was stymied as a result. So this legislation was introduced to remove that section, prohibition against the Investment Council being able to hire their own investment advisors and you go back to the system that had been in place...

PRESIDENT: Time.

SENATOR WESELY: ...for quite some number of years. I know my time is up so I will hope to have another opportunity to go into this and give more background on the issue.

PRESIDENT: Thank you. Senator Warner, please, followed by Senator Langford. Senator Warner, we're now on the kill motion.

SENATOR WARNER: Yes. Mr. President, members of the Legislature, the motion filed last session is to indefinitely postpone 359. Senator Wesely has discussed, at some length, investment policy of the or potential investment policy by the investment board of retirement funds. Really that is not the issue here. As he indicated at the close of his opening, the situation did come about where the investment board had wanted to enter into a contract that would move into some of these kinds of areas with a private firm, and it was true the Governor did not agree or did not sign the contract as required by law for it to be valid. But the issue here to me is not one of venture capital, although that is probably the way it is being presented. Senator Wesely didn't like the message of the veto and so he obviously is resorting, not the veto, well the veto of the contract in effect, by refusing to sign. But it's the classic, I don't like the message so I'm going to kill the messenger, and in this case it seems to me that the reason that has been put in there, and I was sitting in this body when this whole concept was enacted many years ago. Senator Whitney primarily was a strong advocate of that approach. And it was the intent that you should isolate, as much as possible, some of these investment policies, it should be done by professionals, all of which I agree and all of which I would say is true.