

SENATOR WESELY: That if there were losses in any of the investments, the state would have that responsibility.

PRESIDENT: Thank you. Senator Warner, would you like to close?

SENATOR WARNER: Mr. President, members of the Legislature, earlier this week there was a hearing before the Retirement Committee, evening hearing, large attendance and it dealt with the issues Senator Wesely was making some comments in his first opening with Senator Haberman and there was a lady there who was, the firm that she is with, slips my mind at the moment, but who was obviously a very professional, a very competent investment counsellor and this issue in a general sense came up during that and she described the issue that Senator Wesely has been talking about as probably the hottest issue across the country, that is where people in elected office are looking for ways to get into retirement funds and use them for economic development. That's a fact. And that's one of the things that really makes me nervous also, because good investment and good policy can sometimes take second seat to the desire for "economic development". But that's not my reasons for putting the kill motion on. I also have a bill in that does authorize some of these kind of investments by the Investment Council as Senator Wesely has indicated I believe, and it does have some limits on it as opposed to there are none now. I'm certainly not doing this because of the position of the current Governor. As I recall, or at least I read in the paper at the time that she had indicated she would not sign a contract, she made a comment that one of her concerns was that it was not limited, those investments were not limited to within the state. As Senator Wesely has just indicated that he things they ought to be limited to within the state. Every professional I know of, that I've heard from at least who is objective, says that's the worst policy you could have. It's not to limit them to the state. You'd have to be statewide. So my position is not at all on this issue on venture capital or seed money or any of those. My position is solely one that I believe the chief executive officer ought to have the responsibility to approve these kinds of contracts because the impact of them can be tremendous and there is no opportunity, no opportunity to do anything about them once signed. And I think that because of that potential, that responsibility ought to rest with that chief executive officer. There is no question in my mind, when Governor Kerrey was serving he was, as I recall, a proponent of using those funds in a variety of ways or at least discussing,