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FLOOR DEBATE

March 10, 2004 LB 864, 999

relative to the death penalty. Having used as much time as I need for that purpose, I would like now to withdraw that amendment.

SENATOR CUDABACK: The amendment is withdrawn. Thank you, Senator Chambers. Anything further on the bill, Mr. Clerk? Mr. Clerk, next amendment.

ASSISTANT CLERK: Mr. President, Senator Mines would offer AM2981. (Legislative Journal page 959.)

SENATOR CUDABACK: Senator Mines, to open on your amendment, AM2981.

SENATOR MINES: Thank you, Mr. President, colleagues. I offer AM2981 and I'd like to give you a little historical background. This had started with LB 864 that I introduced in the Banking Committee and the purpose for this bill was traditionally trustees have been restricted in their ability to make investments or conduct transactions that involve entities in which the trustee is affiliated. The restrictions are...were designed to address situations in which the potential for it, it's called self-dealing, could be involved, and these were addressed by the Nebraska Uniform Trust Code, which was scheduled to take effect on January 1, 2005. Since 1993, Nebraska law has provided a specific exemption to the general rule that investments made or transactions conducted by a trustee with an affiliate are presumed to be affected by a conflict between the personal and fiduciary interests of the trustee. Prior to the adoption of this exception in '93, the Office of the Controller...Comptroller, excuse me, of the Currency had indicated that in order for a bank to invest fiduciary assets in a mutual fund for which it acts as an investor, advisor, manager or custodian, and receive fees for such services, that the investment must be authorized pursuant to state law. The difficulty is if a trustee is representing the trust beneficiary, they cannot...they're restricted from using affiliated company resources. In other words, if a bank has a mutual fund, the ability to trade mutual funds or stocks with an affiliated or internal company, they're restricted from doing that, and in fact many times they could provide a lesser