

the bill originally passed, Senator Higgins, is that whenever an attorney draws a trust for someone under the laws that then existed he had to spend three or four pages of trust for citing the powers of the trustee, the powers of the trustee to act. By enacting this bill we were able to significantly cut legal expenses in setting up a trust because the statutes now set out what the standard powers of the trustee are without having to put them in each and every trust that comes along. Now when one of the many subsections of setting out what the trustee's powers are, why there was a Select File amendment that had the effect of saying that when a financial institution is a trustee it can invest the funds of the trust in the institution itself and as the committee report explains that was a mistake and basically the banks and savings and loans and other people who helped develop this bill have come in and asked for this amendment and they are correct. It does need to be done. Does that answer your question?

SENATOR HIGGINS: Yes, but then it raises another one. In other words, are you saying that banks and savings and loans who were trustees for an estate would not be able to invest money in their own bank or savings and loan?

SENATOR HOAGLAND: The way the law currently reads, it indicates that. This would take that language out so that they can place deposits within their own banks or savings and loans.

SENATOR HIGGINS: So in effect, what it would say is that the banks and savings and loan could use trust funds of an estate to invest in their own bank or their own savings and loan or whatever institution it is that is a trustee?

SENATOR HOAGLAND: They could deposit them there. That is right. .

SENATOR HIGGINS: Thank you, Senator. That answered my question.

SENATOR CLARK: Is there any further discussion? If not, the motion is to advance LB 187 to E & R for review. All those in favor vote aye. All those opposed vote nay. Record the vote.

ASSISTANT CLERK: 30 ayes, 0 nays on the motion, Mr. President.

SENATOR CLARK: LB 187 is advanced. We will now take up LB 238.

CLERK: Mr. President, LB 238 was offered by Senator Glenn Goodrich.