

May 29, 1981

LB 460

has done under the existing rule so that we could see the difference, so we could see what is happening to us. No one has shown us or bothered to prove to us that there is, in fact, a problem. I, personally, think that there is somewhat of a problem, that more flexibility is needed, but I am not sure that we should go all the way to the prudent man rule and let me tell you one reason why. The banks and the trusts when they use the prudent man rule, if bad times come and they lose all the money or do very poorly with it, well that is neither here nor there to them, they don't have to reach into some other pocket and pay the beneficiaries. It's just gone. So long as they followed carefully the prudent man rule, a broad rule, in one sense they have nothing to lose. But if the government does that and the money is lost, wouldn't you bet a lot that there would be people coming in here wanting that money made up with supplemental appropriations, with direct appropriations? Wouldn't they find us all responsible for it regardless of the fact that we followed the prudent man rule, and wouldn't they want that money from some other source? So I don't think it is quite the same situation. You just can't say, I don't think that, well, we're letting all the private banks do it, why shouldn't the government do it? It is curious to me that we guard so closely our legislative prerogatives in some very minute details in different areas. For example, in Public Works the width of trucks and what kind of vehicles can go down our roads and whether they can be 25 percent overloaded for ten days of the year. Boy, we go into hopeless detail on these things that, in my opinion, should be left to the agencies. And yet here we are in this particular area turning over completely to the Investment Officer and that Board really everything that has to do with the investment of millions and millions of dollars. And I suggest to you that maybe we want to do this and maybe there should be more flexibility but we are hardly consistent in the way that we handle the overall picture. I think there is some middleground between what we are doing today and what is in the current law, and I think that at some point very soon we should examine that whether we pass this bill or not.

PRESIDENT: One minute, Senator.

SENATOR BEUTLER: Thank you.

PRESIDENT: The question before the House is the Beutler motion to return LB 460. All those in favor vote aye, opposed nay. Have you all voted? Three are excused.