

perhaps reassure me that...(laugh). In other words,...

SENATOR LANDIS: It's a matter of in the eye of the beholder, if you're not secure, I understand.

SENATOR PIRSCH: If the action happens, you have a flat number of years. There is no discovery...

SENATOR LANDIS: That's right.

SENATOR PIRSCH: ...at all.

SENATOR LANDIS: If there is a vio...you always have discovery.

SENATOR PIRSCH: You always have to discover it, but this does not allow for any hidden...

SENATOR LANDIS: Oh, I thought that perhaps you were using the word discovery in its legal context of getting information.

SENATOR PIRSCH: No.

SENATOR LANDIS: You have three years, from the date of a contract of sale or the rendering of investment advice, to sue, if that advice or that sale is in violation of the provisions of the securities act. If there is a violation, but you do not discover it, or you're dilatory, or you haven't found out, or it was hidden from you,...

SENATOR PIRSCH: Yes.

SENATOR LANDIS: ...then the three years is, in fact, what a statute of limitations does now. In this state, the current law is two years.

SENATOR PIRSCH: Um-huh.

SENATOR LANDIS: No discovery, no additional language. If you find it in two years, you sue; if you don't, you're done.

SENATOR PIRSCH: The original decision to put in a discovery rule then is...is not well founded? Is that...

SENATOR LANDIS: It was the original choice of the department to have that, and in consultation with the securities industry, the