

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY AUTHORIZING SECURITIES LITIGATION LEGISLATION.

WHEREAS, counties and cities participate in the securities markets both as investors of pension funds and temporary cash balances as well as issuers of municipal debt, and therefore have an interest both in preserving well-established and vital investor rights and protecting ourselves from unwarranted and expensive litigation; and

WHEREAS, counties and cities, like other private and public institutional investors, are dependent on a strong federal system of securities laws and remedies to ensure probity in the financial marketplace; and

WHEREAS, counties are deeply concerned by the potential for fraud in the securities markets and most particularly by the fact that many questionable investment schemes seem to target counties and other governmental entities; and

WHEREAS, the U.S. House of Representatives and Senators have approved legislation (H.R. 1058 and S. 240) that would curtail private securities actions under the federal securities laws by, among other things, increasing the burden of proof for plaintiffs and instituting a "loser pays" rule; and

WHEREAS, legislation approved by the House of Representatives and the Senate would limit joint and several liability for wrongdoers, thereby exposing counties to greater liability risks as defendants in lawsuits and limiting the ability of counties to seek reimbursement as plaintiffs; and

WHEREAS, legislation approved by the House of Representatives and the Senate fails to extend the statute of limitations to provide a fair and reasonable period for filing a securities fraud case:

THEREFORE, BE IT RESOLVED that St. Johns County, Florida urges Congress and President Clinton to support securities reform legislation which deters frivolous lawsuits and protects the rights of counties.

BE IT FURTHER RESOLVED that St. Johns County, Florida urges President Clinton to veto legislation that would adversely impact the ability of counties to protect their rights as investors and to defend themselves from unwarranted and expensive litigation.

PASSED AND ADOPTED this 22 day of August, 1995.

ST. JOHNS COUNTY, FLORIDA BY ITS
BOARD OF COUNTY COMMISSIONERS

BY: Barbara Ward
Its Chair

ATTEST: CARL "BUD" MARKEL, CLERK

BY: Patricia De Grande
Deputy Clerk