

time and did not get it considered. So what I'm proposing is an amendment similar to one that the Education Committee had proposed last year. LB 228 is a bill by Senator McFarland that would allow school districts to establish a contingency fund, that fund being used primarily to stand against potential losses, losses brought about through insurable types of losses. And it is the contention of the education community, the business managers' community anyway that having such a fund would allow them setting some money aside into this fund, would allow them to bring about lower insurance costs, which is a good idea and the committee advanced the bill. We did, a year ago though, put a kind of a safeguard in the bill so school districts would not be able to squirrel away huge sums of money into a contingency fund while keeping the property taxes as high and then just building up, and in essence using this as an excuse to build up a big reserve. So what we did, a year ago, was we put a percentage cap requirement that this fund could go no larger than, I think it was 2 or 3 percent last year. What I'm saying this year is, with this amendment, is that this fund would be no larger than 5 percent of the operating budget of the school district. It's my hope that the body thinks this is a good idea. It's my hope that Senator McFarland thinks it's a good idea, and I would urge you to return the bill to adopt this amendment.

SPEAKER BARRETT: Senator McFarland, would you care to discuss the motion?

SENATOR MCFARLAND: I just wanted to say I have no objection to the amendment, I think it's a good idea and it's a good bill. I'd urge you to vote in favor of returning it for the adoption of the amendment, and then advancing the bill. Thank you.

SPEAKER BARRETT: Thank you. Any other discussion? If not, the question is, shall the bill be returned? Those in favor vote aye, opposed nay. Record, please.

CLERK: 32 ayes, 0 nays, Mr. President, on the motion to return the bill.

SPEAKER BARRETT: The bill is returned. Senator Withem, on the amendment.

SENATOR WITHEM: The amendment places a 5 percent cap that the Contingency Fund can be no larger than 5 percent of the