

February 21, 1996 LB 972

subsection (4) is overly broad, if not entirely inappropriate and could you take a look at that. I'll let you have the rest of my time to comment.

SENATOR HILGERT: Thank you very much. Certainly, that came up in committee. What this does is it doesn't talk about how it is done, is basically it's confined at the mere issuance, the mere issuance of the charitable gift annuity is not deceptive.

SENATOR BEUTLER: Why would it, why would it be interpreted as being deceptive?

SENATOR HILGERT: Because some thought that the mere issuance is basically issuing insurance or engaging in trust business. But so, it is basically defines this creature as a charitable gift annuity, the mere issuance. Now if you...

SENATOR BEUTLER: If there's a...

SENATOR HILGERT: ...make other claims about it and so forth, that's not exempt. But the mere fact that we're engaging in the issuance of it, that's the only part that that's exempt. This no way intends, but we can try to tighten it up, but this no way intends to try to exempt charities from deceptive practices. But the only thing this intent is designed to do is to say that the very mere issuance of it, engaging in the issuance of it is not deceptive on its face.

SENATOR BEUTLER: Okay.

SENATOR HILGERT: But if we need to tighten it up, Senator, we certainly will do that. That did come up in committee.

SENATOR BEUTLER: That, that'd be just fine. I...it just appears to me to be overly broad. And if there is a specific portion or aspect of the Trade Practices Act which would cause them to think that the mere issuance would be a violation, then I would prefer to address that explicit statutory language or case decision language and say, no, it isn't without having this broad language that, that arguably deals with the whole Deceptive Trade Practices Act.

SENATOR HILGERT: Okay.