

Educational Lands and Funds, prepare to sell 95 percent and initiate the sale, five years from now the Legislature could stop that, given the situation five years from now. Third, if we retain this land in the Educational Lands and Funds we continue to deprive counties, fire districts, townships, and all of those entities out there that depend on property tax, we deprive them of the tax that they could be levying on that land if it was privately owned. And that tax then would be available to run those districts, including the school district, plus the increased amount of money that we would make on these millions of dollars. One other point, if, by some stretch of our imagination, we adopt Withem's amendment, we should also then require that the land being sold be done in such a way so that the value of real property owned by the Educational Lands and Funds is proportionate, is proportional as possible in all 93 counties so that each county then would share in the burden of nontaxable land in an equal way. And, with that, I would oppose Withem's amendment and ask the Legislature to advance the bill as it was written.

SENATOR CROSBY: Thank you, Senator Elmer. Senator Wesely. Senator Wesely, on the Withem amendment. Senator Bohlke. She waives off. Senator Bromm.

SENATOR BROMM: Thank you, Madam President. One of the things that I retrieved, while others have been talking, is a little bit of the testimony in the Education Committee on February 12th, on this bill. And the Investment Council Officer, Rex Holsapple, testified in response to a question about what is an appropriate amount of agricultural land in an endowment portfolio, he said that, and I'm going to just quote the testimony, he said, having two-thirds of the assets in agricultural land portfolio was a pretty good example of having at least most of your eggs in one basket. Now I've seen some theoretical studies that attempt to justify large real estate holdings and endowment funds, but to be honest the biggest number that I can recall seeing is around 35 to 40 percent of the assets, and furthermore, not too many people walk their talk on that. Indeed, the market surveys that we subscribed to at the Investment Council state that nationwide the average real estate holding for endowment funds and foundations is less than 5 percent. So, you know, when we're worrying about diversifying and selling a good portion of this land to diversify our portfolio, based on this testimony, and again it may be