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LB 1010

SENATOR BROMM: Thank you, Senator Cudaback. And I...I just want to address some things in response to some of the discussion I guess that's occurred. Senator Baker, Senator Jones have a lot of firsthand experience, or at least some, with this school land thing and I...my county has no school land now, zero. And as I look at the map and I've got the report here with the map and I understand why the concern is significant out west, and I just want to remind the body of some of the policy reasons why I think this Legislature, in LB 1205, tried to chart a course to reduce the land holdings of the Educational Lands Trust. And, generally, we are not...we are not pleased when we try to start a course of action and it is not carried out or it is ignored, and I think that it's beginning to be obvious that that's what is happening here. But some of the considerations were, that really haven't been discussed very much, is that those counties that have the 222,000 acres, which there is one, or 58,000 acres, which there is one, even though they receive an in lieu of tax payment for school taxes, they receive no...no consideration or tax reimbursement for support of other units of government, whether it be county, whether it be...whether it be fire district or whatever, and so it is a burden in those counties. Secondly, the reasons that once existed for maintaining a substantial Educational Lands...Land and Fund holdings in real estate, I think which generally supported a lot of the smaller schools in those counties, that need really no longer exists. It doesn't meet the needs in any way, shape or form for educational financial costs. The last time I checked, and I...I don't have the last report, maybe Senator Baker can correct me, but the distribution of revenues for the support of the school children was approximately \$50 per student. Might be a hair over that, but somewhere around \$50 per student, which is not...not very much in terms of the overall cost of education, so it doesn't fill a role in that respect at all. I'll remind the body in 1996 we had a rather detailed report from Rex Holsapple, who is the State Investment Officer, a very...a very good report pointing out that no trust that wanted to fulfill their fiduciary duties in the best way possible would concentrate as much of their holdings in real estate, particularly in certain localities of the state, because that's too risky. They would be much more diversified than that, not to mention the potential for increased earnings in a more