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LB 28

something to happen. And so establishing long-term funds that are there to be used in generations future are hard to justify for a corporation. So it's believed and shown in other states that driving corporate gifts to endowments is a real asset in this program.

SENATOR BEUTLER: Well, but let's back up a step though. The corporation doesn't really have to give to an endowment that gives only interest, that allows interest only of the money to be used, right? Because didn't we establish before that all of these gifts in this bill, even though you used the phrase "qualified endowment," none of them have to be actual endowments where interest only is used, right?

SENATOR CONNEALY: No, my understanding is it's given to perpetual endowments.

SENATOR BEUTLER: Mean, all of the gifts that are made under this bill are gifts that are made to 501(c)(3)s, and as the 501(c)(3)s hold them only the interest on them can be used?

SENATOR CONNEALY: That's correct. There's an added...

SENATOR BEUTLER: That's your intent?

SENATOR CONNEALY: That's correct. There is a deduction where you give to a charity. You don't have to claim that on your income taxes. This is to give an added incentive to give to keep...

SENATOR CUDABACK PRESIDING

SENATOR CUDABACK: One minute.

SENATOR CONNEALY: ...that separate and be used in the community for...whether...for public purposes in perpetuity.

SENATOR BEUTLER: Okay. Thank you, Senator. Thank you, Senator Cudaback.

SENATOR CUDABACK: Thank you, Senator Beutler. Mr. Clerk,