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FLOOR DEBATE

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SENATOR CHAMBERS: No, go ahead.

SENATOR BEUTLER: ...I want to be sure you understand what is a key and large limitation on this, and it is in the word "endowment," Senator, on line 16. What we're trying to do with that is to distinguish almost all of the funds that cities and these other political subdivisions deal with, distinguish them all and not include them in the parameters of the bill, but to include in the parameters of the bill only those things that are endowment funds. Now an endowment fund of a public entity is a rare thing. The endowment fund that we're concerned about I think is the only one the city of Lincoln has, and it came about because Lincoln General Hospital was a city hospital, and the decision was made to sell it, and a lot of money was obtained by virtue of that sale. They then turned around and through the mechanism of city ordinances and city council approval, put all of that money into what they call the Lincoln Health...the Community Health Endowment of Lincoln, I think, is the way it's termed. And each year, none of that principal is used, ever, and that's the nature of an endowment--the principal is never used, and the interest they take, and even at the low rate of return that they have, at 4 percent, affords the community, you know, roughly \$8 million of help...

SENATOR CUDABACK: One minute.

SENATOR BEUTLER: ...to nonprofit groups here and there, who take care of shelters for women and just all sorts of things that I know you would believe to be good things. And so only with this type of rare animal, which should be treated more like a nonprofit foundation and should have investment returns like a nonprofit foundation because the money is not needed at any particular point in time. What they're interested in is the long haul, the long-term return on investment. And, Senator, if you look at the charts I passed out to you and, well, you don't even have to look at them. You know in the long term that if your portfolio contains a portion of common stocks, that that's going to improve your...

SENATOR CUDABACK: Senator Beutler, we're now on your time.