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February 28, 2006 LB 75

SENATOR CUDABACK: FA422.

SENATOR CHAMBERS: Mr. Clerk, could you read that amendment?

CLERK: Page 1, line 16, after the word "cities," insert "except a city of the metropolitan class as defined by law."

SENATOR CHAMBERS: Thank you. Mr. President, this is an amendment that I had discussed the last time we were on this bill, and now, not only am I opposed to the inclusion of Omaha and other cities in this matter which deals only with Lincoln, but I'm opposed to the bill itself now. Senator Beutler had made a case that I cannot describe as compelling, but it was persuasive to me. This is that issue we were talking about where Lincoln had sold a hospital, or by some means came into some money. There is an endowment, if I understand correctly, in which this money resides. Under the present law, there is a restricted area within which such funds can be invested. There are other areas more lucrative in terms of giving a return that some people believe do exist. They also believe that the city should be able to invest this money in some of these other activities to try to realize more of a return on the money that they have. No other city that I've been able to discover has such an endowment. None of these other entities has been brought to my attention as being situated as Lincoln is. Those entities would include all cities other than Lincoln, villages, school districts, public power districts, and other political subdivisions. None of those is affected by this language at present. I want to remove Omaha from this bill, which is a proposed constitutional amendment. I had spoken with the lobbyist for the city of Omaha, and Omaha not only has no such endowment fund, but is not contemplating having one. In a city such as Omaha, if there are individuals with enough money that they want to donate for the purpose of benefiting the city of Omaha, they are not going to turn it over to the city; they will set up, perhaps, a fund, and make the return on the principal available for use by the city. And they would probably have a fund administrator who would be in charge of seeing how this money would be utilized in behalf of the city. Initially, I was interested in just withdrawing Omaha from this activity. Now, I