



Hundredth Legislature - Second Session - 2008
Introducer's Statement of Intent
LB 905

Chairperson: Lavon Heidemann
Committee: Appropriations
Date of Hearing: February 5, 2008

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

The intent of this bill is to provide Nebraska Educational Television (NET) with stable funding for producing and broadcasting programs of greater quality and quantity to the entire state. The NET Trust Fund would make it possible for NET to provide on a consistent basis to all Nebraskans more diverse and desired sporting events and cultural programs.

The programming and media produced by and provided through the NET Commission makes many important educational, historical, cultural, and social contributions to the state. Federal and State funding for public broadcasting are vulnerable and without guarantee of continuation. In order to ensure a stable source of funding for future generations, this bill would help to establish a financial partnership between the commission and the private sector.

This bill establishes two funds: the NET Endowment Fund and the NET Trust Fund. The NET Endowment Fund is a temporary fund consisting of \$50 million from the Cash Reserve Fund. However, only the earnings from the \$50 million are allocated to the NET Trust Fund, which must be matched by NET. NET may then use the interest generated from the NET Trust Fund for programming and operational costs.

The matching funds raised by NET may be used for operational costs, but it has the incentive to build up the NET Trust Fund since the interest from this fund can also be applied to NET's match requirement. Recognizing that there could be a future need for the State to have access to the \$50 million NET Endowment Fund, the Legislature could repeal that section of the law, but NET would still be able to benefit from the NET Trust Fund earnings to continuously improve its programming benefiting future generations.

Principal Introducer:

Senator Bill Avery