



# THE LEAGUE OF WOMEN VOTERS®

April 2010

President: Patte Newman

President-Elect: Mary Boschult

Secretary: Carol Connor

Treasurer: Margaret Remmenga

Voter Editor: Jim Johnson

## Calendar of Events

### April 10 (Sat.):

LWVLL Annual General Meeting, 10 a.m.  
Legacy, 7200 Van Dorn,  
Fireside Room (basement).

### April 15 (Thurs.): Noon LWVLL Lunch & Learn.

**Guest:** Tom Davlin, LES  
**Topic:** *Overview of Sustainable Energy Resource Options for Nebraska*  
US Bank Bldg 20<sup>th</sup> Floor,  
13<sup>th</sup> & M Streets, Lincoln.

Reservations required by Monday noon, April 12.  
*Reservations must be honored.*

Contact the League office by email at [lwv-ne@inebraska.com](mailto:lwv-ne@inebraska.com) or by phone at 475-1411. Include your name, the number of reservation requested, contact information (phone and/or email) and if you want a vegetarian meal.  
*See article at right.*

### May 11 (Tuesday): Statewide Election Day *Polls open 8:00 a.m. to 8:00 p.m.*

on "Sustainability Issues in Lincoln."

## **LWVLL Annual General Meeting this Saturday, April 10th**

Please join us Saturday, April 10th at 10 a.m. in the fireside room at Legacy Estates, 7200 Van Dorn for the annual meeting. We would like to hear your ideas on how the League can more effectively work both locally, statewide and at the national level. Parking is available on the west side of the building and we will clearly mark the door to enter from that side.

## **April Lunch & Learn to Discuss Sustainable Energy Options**

At the Thursday, April 15th League of Woman Voters Lunch & Learn, **Tom Davlin**, Manager of Project Engineering at Lincoln Electric System and Manager of Energy Resources Division of the Nebraska Utility Corporations, will give an *Overview of Sustainable Energy Resource Options for Nebraska*, including existing and projected national, state, and local electrical generating resources, and the role that renewable resources will play in going forward. Renewable technologies particularly applicable for Nebraska, including wind, solar, geothermal and bio-mass, will be reviewed. The constraining issue of delivering the renewable energy to load centers will be discussed. Mr. Davlin will touch on the key issues of associated smaller sized wind projects, including the implications of Nebraska's net metering law.

Davlin graduated from UNL in 1980 with a degree in Electrical Engineering and received his MBA in 1988, with an emphasis on finance. His first full time assignment with Lincoln Electric System was field manager of residential air conditioner load control pilot program. He has had many other assignments with LES, including developing and implementing a corporate contractor safety program and the construction of 3 million gallon ice based, thermal storage system. Tom was the project manager for the construction of a 180 MW, high efficiency combined cycle generating station which was recognized as a "Top Plant" in Power Magazine's annual survey of new power plants. He has published articles in several professional magazines and is a registered Professional Engineer in Nebraska.

Tom, who grew up on a farm in rural Nebraska, has been married 24 years, has a son, and 3 grandchildren

Lunch and Learn events are open to the public. Tom Davlin will speak on Thursday, April 15th, at 12 noon on the 20th floor of the US Bank Building, 13th and M Street. The cost is \$10, which includes speaker, lunch, tax and gratuity. **Binding reservations** are required by noon, Monday, April 12th and may be made by contacting the League office by e mail at [lwv-ne@inebraska.com](mailto:lwv-ne@inebraska.com) or by phone at 475-1411. Include your name, the number of reservations requested and contact information (phone and email) and if you want a vegetarian meal. **All reservations are expected to be honored.**

The League of Women Voters Lunch & Learn events are held the third Thursday of each month from September to May at noon on the 20th floor of the US Bank Building, 13th and "M" Streets, **with advanced reservations.** The May Lunch & Learn will feature Cecil Steward, FAIA, speaking

**WANTED:** An outgoing, friendly Leaguer who would like to get to know members better. We are looking for someone to take over Ann Wahl's duties as greeter and packet-passer-outer at monthly Lunch and Learns. This person would also send League information to new members. Monthly time commitment is about three hours, and detailed instructions and tutoring are available. For more information, please contact Karen Dienstbier 489-7545 or Ann Wahl 489-3029. It's a fun way to be more involved in League!

**Thank you** to those who have become new members or renewed their membership in the League of Women Voters Lincoln/Lancaster County. Annual dues are payable at this time. If you have not already done so, you may renew by sending a check for \$50 payable to

LWVLL  
The Apothecary, Suite 215  
140 North 8th St.  
Lincoln NE 68508

Along with your membership dues, please give us your contact information: phone, e-mail, and address, so that we can keep our records current.

## **LWVLL holds Arena Yes/No Program at the Unitarian Church**

On March 24<sup>th</sup> the Unitarian Church opened its doors to the League of Women Voters Lincoln/Lancaster County to offer its program on pros and cons of the yes or no vote on the building of an arena in the Haymarket District in downtown Lincoln. Carol Connor, League member, was the moderator for the evening. For nearly two hours, with a crowd of approximately 200 people in attendance plus several TV station representatives, and other news media persons Kandra Hahn and Jennifer Brinkman clearly pointed out the pros and cons of building the arena. In Ms. Brinkman's opening remarks she spoke of the reasons that building the arena at this time is a good idea. Several of her key points are: low construction costs, job opportunities for construction workers and others, low financing for the city, no property tax increases for Lincoln citizens. Ms. Hahn spoke of the resistance by Burlington Northern to allow EPA testing of the soil before the May 11<sup>th</sup> primary election, no guarantees that taxes won't need to be raised in the future to help offset expenses of the arena. She noted that Omaha has this year had to raise taxes to help support the Qwest Center. There are no guarantees of what the facility will look like and what it will actually be able to bring in regarding 1<sup>st</sup> class performers. Written questions from the audience were asked of Ms Brinkman and Ms Hahn after the pre-arranged questions from the League were answered.

Debate is also airing on public access, Time Warner Cable Channel 80 (Channel 99 on some systems) on Thursdays and Sundays at 7:00 p.m.

Presentations from the forum are available online:

Jennifer Brinkman (favoring arena)

[http://www.youtube.com/user/Edit1961#p/u/uall/0/zkvUhx6c\\_Zo](http://www.youtube.com/user/Edit1961#p/u/uall/0/zkvUhx6c_Zo)

or [http://www.youtube.com/watch?v=zkvUhx6c\\_Zo](http://www.youtube.com/watch?v=zkvUhx6c_Zo)

Kandra Hahn (opposed to arena)

<http://www.youtube.com/user/Edit1961#p/u/1/cUB0dG6I26Q>

or <http://www.youtube.com/watch?v=cUB0dG6I26Q>

---

## **March Lunch & Learn Presentation by Skip Hove**

On March 18<sup>th</sup>, forty-three people were treated to an extremely entertaining and informative presentation by Andrew "Skip" Hove, Jr. on "How the Economy Got this Way".

Mr. Hove pointed out that any time an old guy on social security is offered a free lunch, it's a good deal and he was very happy to share his views with the League Lunch & Learn crowd. He explained that he was appointed by George H. Bush to the FDIC board in 1990 and continued on under President Clinton in 1994, serving for eleven years in Washington DC. He compared the duties of the FDIC, as an independent, non-partisan agency, as similar to the work of the League of Women Voters. Both can be considered political, but not partisan. He said that he applauds the League for their efforts to understand issues and try to affect positive change in a non-partisan manner.

Mr. Hove went on to give a very brief history on how he felt the nation has been impacted and recovered from several financial downturns.

After the Civil War divided the nation, the National Bank Act was enacted to create one common currency and a controller to ensure a unified system. Up to that point, private banks each had their own currency and would discount others. In 1907, a financial crisis similar to 1929 occurred, where people lost half of their stock value in a recession with major runs on the bank. J.P. Morgan put the stability and confidence back in the market at that time. In 1913 the Federal Reserve was created with a Central Bank and a board of seven governors with twelve district offices throughout the nation. That operated fairly well through the 1920's. The Crash of '29 had a terrible impact on industry with 4,000 banks failing in one year alone and a total of 9,000 banks failing through 1935. Once again, there were terribly runs on the banks with people unable to get their money back. In 1933, President Roosevelt called a bank holiday for one day and the Federal Deposit Insurance Act was created to insure deposits of up to \$25,000. In the next year only nine banks failed. The years after WWII worked fairly well. Crisis hit in the 1980's impacting agricultural areas in the Midwest, the real estate market on the west coast and a nationwide energy crisis. At that time nearly 1,200

banks and thrifts failed with a total of 1,700 failures from 1985 to 1992. By 1995 only a few institutions failed since confidence had been restored.

Mr. Hove repeated the question he was asked to answer – how did we get into this crisis today? He explained that the government took the role of a cheerleader for home ownership. It is generally assumed that if people own their homes they take more pride in their neighborhoods which is a good thing. The Clinton administration starting making loans to help make home ownership happen and the Bush administration brought forward the American Dream Down Payment Act for low to moderate income home buyers. Mr. Hove said that when money is given out with no strings attached, there is a problem. The subprime loan market had no standards and not requiring a down payment became prevalent. Loan brokers and mortgage salesmen pushed the loans with no underwriting.

They encouraged people to enter into 2/28 or 3/27 teaser rates that fixed a low rate for three years and then encouraged people to refinance at a higher value. The assumption was that the increase in value would happen “naturally”. The loan brokers were sometimes assisted by appraisers. This bundle of loans was then packaged and sold to companies like Lehman Brothers or Bear Sterns as collateralized mortgage securities and rated as AAA investments. Using words like “enhanced” or phrases like “high grade structured Strategy Funds” these investments were sold with no obligation to the broker or appraiser or the rating agency or anyone else. They were then insured by AIG as credit default swaps to ensure collateral and confidence. Unfortunately, people bought homes and flipped them. Buyers overindulged and borrowed at 100% the value of a home and the housing market turned down. Foreclosures started and markets in Florida, Nevada, California and Arizona were hardest hit. There are an estimated 16 million houses with negative equity.

Here in Lincoln, January house sales were down, possibly also due to the weather. New housing permits which numbered 1,566 in 2003 were down to 378 in 2009. Commercial vacancies have proven troublesome. Mr. Hove feels the \$8,000 first time home buyer credit has helped the road to recovery.

Recovery depends on the consumer. Approximately 70% of the GDP is consumer spending, so downturns impact the economy. A doomsday scenario might happen if spending stays low, but Mr. Hove does not think that will be the case. The growth rate is increasing and savings should follow to about 5%. Unemployment has come down slightly from 10.3% to 9.7%. In 2000, bank earnings were about \$148 billion compared with a dramatic decrease to \$12.5 billion in 2009. There are 7,500 banks with nearly a third not doing well. 140 banks failed last year with 30 so far in 2010 and he estimates that 1,000 might fail. He emphasized that recovery comes quickly though. With deposits insured of \$250,000 per person, \$500,000 joint and retirement insured since 1990, no insured funds were lost by the people. All losses are paid by the banks or the FDIC.

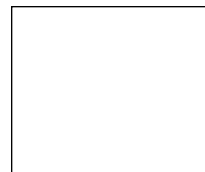
Mr. Hove said his biggest concern is the national debt of \$12.3 trillion with GDP at \$14.3 trillion. In 2008 there was a 69% ratio of owed debt on the GDP which increased to 83% in 2009. There must be either a cut in services or an effort to raise taxes or we will bankrupt our nation.

Mr. Hove answered questions about several issues. Asked whether the government should reinstate the Glass Steagall Act (separates commercial banking and investment activities of banks) he responded that it would be too difficult to unscramble that egg.

His parting advice to the group was that it was better to take an interest in politics or it will take interest in you.

— Patte Newman

The Lincoln Lancaster *Voter*  
League of Women Voters ®  
The Apothecary, Suite 215  
140 North 8th St.  
Lincoln NE 68508  
475-1411  
<http://www.LincolnLeague.org>



Time Dated Material  
Please Do Not Delay