

morning. Senator Vard Johnson, on the amendment.

SENATOR V. JOHNSON: Mr. Speaker and members of the Legislature, LB 302 was given to the Revenue Committee by the Department of Insurance to provide what the Department of Insurance regarded as technical changes to the Nebraska premium tax laws. Last session we went through a fairly lengthy discussion on premium taxation in Nebraska and that discussion was designed to render our system a constitutional one. But after we passed the legislation, the insurance companies and the Department of Insurance found small, little gaps in the law where the law did not accord with the practice in the Department of Insurance, so the Department of Insurance asked the Revenue Committee if they would carry this bill as a bill to, in effect, cover the gaps. Now, the amendment that I am about to offer to you is an amendment that sets the premium tax on something called surplus lines at 3 percent of the amount of the surplus lines, which is an ongoing practice in the Department of Insurance and accepted practice in the insurance industry, but apparently our Department of Insurance doesn't have the statutory authorization for the ongoing practice. So we are going to offer the amendment. It is...I think it's an agreed to amendment. There should be no problems with it. I commend it to you at this time.

SPEAKER BARRETT: Senator Rex Haberman, on the committee amendment, please.

SENATOR HABERMAN: Mr. President, members of the body, question of Senator Johnson, please.

SENATOR V. JOHNSON: Senator Haberman.

SENATOR HABERMAN: Senator Johnson, since, I will admit in front of the group, I missed the hearing, I would like to ask a question.

SENATOR V. JOHNSON: Sure.

SENATOR HABERMAN: Does your amendment in any way change the loss of funds to the schools...

SENATOR V. JOHNSON: No.

SENATOR HABERMAN: ...and the cities and the counties, they still lose their funds?