

that is negotiable by the board. Finally, in exchange for these cost saving measures we also want to provide better representation to the individuals as part of the CHIP program and so one member of the nine-member CHIP board will now represent the health advocacy organizations involved. Those are the people that are covered by the CHIP board and they will now have representation on the board. And finally, as an understanding in the negotiations involved...

SPEAKER BARRETT: One minute.

SENATOR WESELY: ...I met with insurance director...one more minute, I met with the insurance director, Bill McCartney and he indicates to me as a result of the changes being proposed in this amendment that the proposed 50 to 60 percent premium increase now under consideration by the insurance director will not be provided, that there will be at the most a 10 percent increase in premiums because of the cost savings from these amendments. So I feel that these are very good amendments that will save money and at the same time recognize the need to contain costs on the premiums so that we don't lose people from the program. If there are any questions on it I'd be glad to answer them and would support the suspension motion and then support the adoption of the amendment.

SPEAKER BARRETT: On the motion to suspend the rules, Senator Hartnett, followed by Senator Witiem.

SENATOR HARTNETT: Mr. Speaker, members of the body, I rise to support the suspension of the rules. This...my part of the bill, there's two parts, Senator Wesely, and my part is LB 776 which was heard by the Banking and Insurance Department and really what it does is it exempts natural gas companies that will allow service contracts on gas and electrical appliances and heating and cooling systems, exempt them from regulation from the Department of Insurance. Natural gas companies have been issuing contracts since approximately 1977 and have just come recently to the attention of the Insurance Department that they should have been regulating. They haven't been regulating and so this simply kind of clarifies that. Like Senator Landis says, that they have...they are not fly-by-night operations, the two companies that want to do this, Peoples and Minnegasco are long-time corporate citizens of this state and they have been doing this and so it just simply clarifies the law dealing with this section. So I rise to support the suspension of the rules