

adding any emphasis, that is underscored, "after the effective date of this act". Turn to page 2 of Mr. Haessler's analysis of 355, subsection 1 of Section 3, again sets forth that the act only applies to policies issued after the effective date. They forget to tell you that on page 5 in Section 4, it says, "unless the policyholder agrees in writing to the applicability of such provisions". What I am doing is I am striking the "unless the policyholder agrees in writing to the applicability of such provisions". I am just trying to amend it into the form that they have described to us, that it will not apply to any policies issued before the effective date of this act. I urge your adoption of this amendment. Thank you.

SPEAKER MARVEL: Senator Dworak.

SENATOR DWORAK: Mr. Speaker and colleagues, I think that this is what I refer to as the Northwest Mutual amendment whereby if a company wants to offer incentives to an individual now at the low policy loan to take a higher policy loan in addition for some benefits, increased benefits from that company, they can do it. It is voluntary. I have no objection to this amendment. I might just comment that the only potential problem if, and I think I am stretching a little bit is that this is a model act that will be attempted to be put in effect across the United States, and I am always just a little bit skeptical to tamper around with model legislation, but in this case I think Senator Kilgarin has brought forth a well thought out good amendment and I personally am not going to oppose it. In fact I am personally going to vote for it.

SPEAKER MARVEL: Senator Marsh.

SENATOR MARSH: Mr. Speaker and members of the Legislature, Senator Kilgarin, I don't really think the amendment is necessary and I would like to explain why I don't think it is necessary. No way can this be retroactive. In fact what it is saying is that there can be some paperwork saved if a policyowner chooses to have it done. The other alternative is a policyowner may choose to turn in the current policy and have the company reissue another policy from the angle that if you do not intend to borrow on the insurance, you may be financially better off to have an insurance policy where the loan cost would be higher because the cost of the insurance would be lower. I don't have a problem with the amendment. I just don't really think it is necessary, and since it is a model act, I probably will vote against it. I understand what you're saying. I think it is a technicality that really is not a problem because it