

March 23, 1981 ,

LB 355

SENATOR KILGARIN: They are not printed in the Journal?

CLERK: No, ma'am. You can temporarily withdraw yours if you are so inclined.

SENATOR KILGARIN: Yes, please. Thank you.

CLERK: Mr. President, Senator Burrows moves to amend the bill and the Burrows amendment is found on page 735 of the Journal.

SPEAKER MARVEL: Senator Burrows.

SENATOR BURROWS: Mr. Chairman, members of the body, this amendment would require the insurance companies account to the Insurance Commissioner in the State of Nebraska and assure that the additional monies they would receive from the higher interest rates be distributed as additional dividends. Now the proponents of this bill have sold the bill on the advantage that this money would turn back to dividends, that it was the little policyholders bill that didn't bother to borrow that money, his own money, back from the insurance policy. If they really feel true to this, the proponents of the bill, I am sure they will not mind seeing this spelled out in law that the additional monies that are received by the higher interest rates under the variable interest rates are by supervision of the Insurance Commissioner returned as dividends, dividends to the policyholders. This amendment ties down the promises, the commitments and the intent of this bill before the Legislature. I think it is quite simple, do we want to trust...is it all in trust of the great insurance companies or do we want to take their promise and by this we can put their promise in law that they will account to the Insurance Commissioner and he will assure that those additional profits by the insurance company, additional monies be returned as dividends and not be taken as profits to the insurance companies. Really I have no problems with this bill except for the problems it may cause some homebuyers in future years, ten, fifteen, twenty years down the road, when they have to go to the insurance company for high interest money for the down payment on a home. The homebuilders really ought to be looking at this bill as it is going now but this, at least, will get it back to the policyowner in the State of Nebraska. If you cannot accept this amendment, I think it is an indication there is not good faith that this money is supposed to go back as dividends. The indications were that when we moved from six to eight percent that about half of that money was taken as profits by the insurance company. Now I am simply asking you to spell out as a commitment to the