

March 25, 1981

LB 355

SPEAKER MARVEL: It is up to the Chair to handle that but go ahead.

SENATOR DWORAK: Thank you. Changing a "higher" to the "lesser" guts the bill as I said before. The lesser of the monthly average of the percentage used to compute cash values plus one percent, that equates to five and a half percent interest rate and as you know the one percent is in the reserve function in which we are working on LB 426 which isn't with us right now. Under present law the percentage used to compute cash values, Senator Kilgarin, is four and a half percent. Now, of course, this would change if LB 426 is passed, but if it isn't passed, in fact we are gutting the bill right now and I think it would defeat our purpose so I stand by my original statement. I think I have answered your question adequately. I would accept an apology but that is fine.

SPEAKER MARVEL: You have thirty seconds in which to close.

SENATOR KILGARIN: Thank you, Mr. Speaker, and, Senator Dworak, 426 is not a priority bill so I don't think it is going to pass this session. We just talked about that this morning. I don't think we are going to get to it and all I keep hearing is that 355 and 426 are sister bills and I don't think 355...I know 355 is not going to be beneficial to policyholders unless 426 is passed. So I think they should be debated at the same time. We had agreed to that previously when 355 came up and I ask your support of this amendment. Thank you.

SPEAKER MARVEL: The motion is the adoption of the Kilgarin amendment to LB 355. All those in favor, and she had closed, all those in favor of the motion vote aye, opposed vote no. Have you all voted? Record the vote.

CLERK: 9 ayes, 21 nays, Mr. President, on the motion to adopt.

SPEAKER MARVEL: The motion lost.

CLERK: Mr. President, Senator Kilgarin moves to amend the bill. (Read Kilgarin motion found on page 1125 of the Legislative Journal.)

SPEAKER MARVEL: Senator Kilgarin.

SENATOR KILGARIN: Thank you. If you will turn to page 2 of LB 355, lines 26 and 27, you will see that it says "during the applicable period plus one percent per annum". Now I mentioned this in previous debate. That is administrative