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FLOOR DEBATE

March 30, 2004 LB 616, 1047

with the elimination of the three-year look-back period on this particular amendment and raising the exemption up to \$50,000, this particular bill, or LB 616, would be subject to some opposition. As a matter of fact, originally the Bankers Association was in opposition to the bill, and they're the ones that basically insisted on the three-year look-back period. As Senator Brashear so eloquently put it, before...I mean, there wasn't a cap on that, you could go in and buy a fairly sizeable cash value life insurance policy, and then later file bankruptcy, and that would be exempt. As this amendment, if it's attached, it would do away with that three-year look-back period. A person could conceivably go the day before filing a bankruptcy, buy a single premium life insurance product with a cash value of \$50,000, and then on the very next day file a bankruptcy, and that entire \$50,000 would be exempt. I would agree with Senator Beutler that most bankruptcies do not go through such a planning process. But there are certain wealthy individuals that do go through a bankruptcy planning process, and protecting the assets in a bankruptcy is one of those things. And so for that reason, we're getting away from the original concept of LB 616 in trying to protect the widows and the orphans and trying to have just a little bit of money left over after a bankruptcy. And so I would have to oppose Senator Beutler's floor amendment to this. And again, I guess I can't tell you how much I'd stress is, is that I believe that the underlying bill, LB 1047, kind of overshadows anything that we may be doing here as far as amending it. And I think the important thing would be to get LB 1047 over onto Final Reading. But I will be opposing the Beutler floor amendment. Thank you.

SENATOR CUDABACK: Thank you, Senator Quandahl. Senator Redfield, Beutler amendment to your amendment.

SENATOR REDFIELD: Thank you, Mr. President. I had originally pushed my button to point out the fact that the three-year look-back was gone. And while I understand that he's...Senator Beutler is trying to address the increase in cost, I think that in the interest of all parties, that it would be better if we were to include the three-year look-back language as well. Now, we could still do the Beutler amendment, but come back and reinsert the three-year look-back, or we could again pull and