

there are other alternatives with which one can treat retirement benefits to draw greater equity into the model and that means to add other factors. The side of the coin that has never been examined by the proponents of LB 210, it is true that nonsmokers as opposed to smokers have a varying effect on the average. They do not have the sense of behaviors between the two of them and that perhaps is a fault with the retirement system. I cannot, however, endorse the notion that only sex discriminations distinctions wind up being inherently unfair and for that reason have to be struck from the system. I would accept the challenge and hope that our retirement system would as well to build into our system more sophisticated distinctions so that those averages take into account other discriminating sense of behaviors beside sex, but what happens if we establish the principle that sex classification is a mistake, is inherently unfair? Well, I will tell you the first place we have to take a look, we have to take a look at our Insurance Director who currently has to approve with the state's imprimatur insurance rates which are distinct for men and women because by actuarial tables they are distinct, they are distinct groups with varying experience levels. What are those experience levels? They are that women are safer drivers than men. They are that women are less of a health risk than men. And this state approves lower term life rates for women than it does for men and lower accident rate insurance for women than for men. The other side of the coin, Senator Chambers, is that this principle, if it is to be acknowledged, and that is that sex distinctions are unfair, taken to its logical conclusion has to go back in and to require the Insurance Director to lump everybody into the same pool for experiences and to revamp our insurance schedules not to permit insurance rate distinctions on classifications by sex. What I would suggest to the body is the appropriate way to go in the solving of the problem inherent in setting any kind of average, in setting any kind of annuity or retirement or insurance pooled risk, if you will, is to require that system to take into account factors other than sex, smoking, non-smoking, whatever those kinds of factors are that Senator Chambers has quite appropriately brought to us as amounting to genuine distinctions between people and to build those into the system but it is not sensible to close our eyes to that which is so, and that which is so is that when you force yourself into the situation of pooling risks and treating by averaging experiences, that when you do that, there are distinctions based on sex. I accept the flaw in our system that says we have only segregated that distinction among people. That is unfortunate. Our system