

Senator Haberman.

SENATOR HABERMAN: Also we...it carries the amendment to add the E clause to it.

SPEAKER NICHOL: Okay. We will discuss the first part of the amendment first. Any discussion on that? The first part is on page 3, after line 22 insert, "(2) The department shall develop and administer a test to all licensees referred to in subsection (1) of this section. Such licensees shall be required to take the test every two years prior to the end of their two-year period, and to answer seventy percent of the questions on the test correctly. The director may assess a fee for the test to cover the costs of administering the test." That is the portion that we are considering at the moment. Senator Barrett.

SENATOR BARRETT: Thank you, Mr. President. As I understand it, Mr. Clerk, we are eliminating lines 1 through 11 then in the committee amendments.

SPEAKER NICHOL: Yes.

SENATOR BARRETT: Part one then, in other words.

SPEAKER NICHOL: Yes.

SENATOR BARRETT: I would rise in total agreement. In my opinion, Mr. President, this section of the committee amendments should be eliminated. I think it will be a nearly impossible task for the Department of Insurance to administer all of these tests that would be required under this part of the amendment. The department would have to design tests, would have to administer tests, would have to grade new examinations every two years, at least, to perhaps as many as 2,000 insurance agents in this state. I wonder how the insurance department could handle this task without expending literally hundreds of thousands of dollars; additional staff, revising the tests every two years or on a periodic basis, at least. The Department of Insurance has estimated that the cost of this provision of the amendment alone would be somewhere in the area of \$449,365 for fiscal year '85-86. With approximately 16,500 Nebraska resident agents out there, should this become law, we are looking at somewhere around \$27,000 per agent and that is only the Nebraska resident agent. It does not speak to the matter of