

April 12, 1979

LB 354

SPEAKER MARVEL: The motion is carried. The bill is advanced. LB 354. Senator Schmit.

CLERK: Mr. President, LB 354 was introduced by the Banking, Commerce and Insurance Committee and signed by the members thereof. (Read by title LB 354.) The bill was read on January 16. It was referred to the Banking Committee. The bill was advanced to General File. There are Committee amendments by the Banking Committee, Mr. President.

SPEAKER MARVEL: Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, the Banking Committee amendments are very simple. It changes the word "effective" to "operative", and that's all the Committee amendments do, and I move for the adoption of the amendments.

SPEAKER MARVEL: The motion is to adopt the Committee amendments to 354. All those in favor vote aye, opposed vote no. We're voting on the Committee amendments to LB 354. Have you all voted? Record.

CLERK: 25 ayes, 0 nays on the motion to adopt the Committee amendments.

SPEAKER MARVEL: The motion is carried. The amendment is adopted. Senator Schmit.

SENATOR SCHMIT: Mr. President and members of the Legislature, this bill is a very technical piece of life insurance legislation and one in which I am not an expert by any means. I'll try to explain it to the best of my ability. It does provide and modernize the standard valuation nonforfeiture laws for insurance in Nebraska. It's needed to make Nebraska based insurance companies more competitive and to give a lower priced life insurance product to Nebraska citizens. It makes certain changes which I think are of interest. It increases interest rate assumptions, for example, for single premium and individual annuities the rate is raised to seven and a half percent from six percent. For single premium life insurance and single premium individual deferred annuity contracts it raises the interest rates to five and a half percent from four percent, and for all other deferred annuity contracts and endowment policies it raises the rate to four and a half percent from four percent. The bill recognizes the greater longevity of women and provides for lower premium