

SPEAKER MARVEL: LB 355.

CLERK: (Read title.) The bill was read on January 19, referred to the Banking, Commerce and Insurance Committee. It was advanced to General File. There are committee amendments pending by the Banking Committee, Mr. President.

SPEAKER MARVEL: Senator DeCamp, do you want to move the adoption of the committee amendments?

SENATOR DeCAMP: I move the adoption of the committee amendments, Mr. President. I've got to see what they do though. Well, once again, this is one of those bills that is a national model bill and I think you have probably read in the media and other places that the insurance industry is trying to get this bill or variations of it passed in every state in the United States this year. What it does is it is going to change the interest system that is involved in certain insurance policies. It is Senator Clark's bill. I will let him explain it further. Basically the amendments make again, some technical corrections. They change, well it corrects something that was left out of the initial draft, mandates that the policy loan rate be decreased if there is a decrease in one-half of one percent in the published monthly average for the rate being charged on the loan. We reinstated some language to assure that the policy will not lapse because of a policy loan unless certain conditions occur but all of these things only make sense in the context of the entire bill and I will defer to Senator Clark to address the bill itself and assist him in any way there and think we should adopt the committee amendments first and then let him go on with the bill.

SPEAKER MARVEL: Senator Dworak, do you wish to speak to the committee amendments? Okay. Senator Clark, do you wish to speak to the committee amendments? The motion is the adoption of the committee amendments to LB 355. Those in favor vote aye, opposed vote no. Have you all voted? We are voting on the committee amendments to LB 355. Record.

CLERK: 27 ayes, 0 nays on the adoption of the committee amendments, Mr. President.

SPEAKER MARVEL: The motion is carried. The committee amendments are adopted. Senator Clark, do you wish to speak to the bill?

SENATOR CLARK: Mr. President, members, I move that LB 355 be advanced to E & R initial. What this bill does is to put a variable interest rate on the cash loans of insurance policies after the bill goes into effect. Any contract in