

property and casualty lines. I'm confident that that will be a discussed item. Senator Hannibal suggests that maybe I have somehow sold the state down the river. I know he made that comment in total and absolute jest, but I think this Legislature needs to understand, it needs to understand what a 2 percent flat tax would have done to the domestic carriers. Domestic carriers today pay \$3.6 million to the state in the premium tax at a .6 of 1 percent rate. Had we simply gone from a .6 of 1 percent rate to a 2 percent rate for the flat tax, we would have raised the tax bill of our domestic carriers from 3.6 million to 12.2 million. Now, I think there is a time when tax increases become unconscionable. I know there are some people who have suggested in the Public Pulse of the World Herald that I've never met a tax I didn't like. That's not correct. I think, in fact, one has to be very careful with tax policy and to take our domestic carriers tax burden from 3.6 million to 12.2 million would have been excessive. Going to the 1 percent flat tax takes their burden from 3.6 million to approximately, it should be 6.1 million, but with that group health exception it will be somewhat less than that, but it represents a change for the domestics. It does, however, require us to rely very extensively on the retaliatory tax law. Should we discover over the next two or three or four years that the retaliatory tax law does not produce for us the kind of revenue that we require, I am confident that we will come back and struggle through further premium tax rate increases. With that, I would offer the bill.

SENATOR MARSH PRESIDING

SENATOR SCOFIELD: The motion to advance the bill is before us. All those in favor signify by voting aye, opposed no. Have you all voted? The Clerk will record.

CLERK: 29 ayes, 0 nays on the motion to advance the bill, Madam President.

SENATOR SCOFIELD: The bill is advanced. We will return to General File. We begin with 237. Senator Hoagland.

SENATOR HOAGLAND: Madam Chairman and colleagues, LB 237 is a bill that was brought to us, brought to the Judiciary Committee by Senator Chambers and it has no committee amendments, but in light of Senator Chambers' absence today