

a guest of Senator Shirley Marsh under the south balcony. We have Dr. Hans Sabaditsch, Counsul General at the Austrian Counsul General in Chicago. Dr. Sabaditsch received his law degree in 1963, and has since been associated with the Federal Ministry of Trade and Industry, Vienna, a member of the Austria permanent mission to the United Nations in Geneva, counselor at the Austrian Embassy in Tehran, just to mention a few. Dr. Sabaditsch expressed a great interest in continuing the excellent relations between Nebraska and Austria which were initiated by the former Counsul General, Dr. Edward Adler. Dr. Sabaditsch is married and has two daughters. Would you please welcome Dr. Hans Sabaditsch to our Legislature this morning. Senator Hefner. Then Senator Barrett.

SENATOR HEFNER: Mr. President and members of the body, Senator Higgins, I do pay my taxes quarterly. I pay my estimated state income tax quarterly. But in this amendment I want to address my remarks to the property and casualty companies. If you know we went up from 6/10th of 1 percent to 1 percent. This is a very large increase. So what this amendment does is the tax on the 1985 premiums is 6/10th of 1 percent. This would be paid in 1986. This would be paid this year. Tax on the 1986, this year's premiums, would be paid in 1987. That would go up to 7/10th of 1 percent. In...the 1987 premiums would go up to 8/10th of 1 percent, and that would be paid in 1988. And the tax on the 1988 premiums would go up to 1 percent, and that would be paid up in 1989. I think we need to be mindful that we don't want to put too large an increase on these insurance companies at one time. It could be very detrimental to like the property and casualty companies because they need a reserve, they need a reserve to pay out their losses. So it looks to me like this amendment is a fair one. It's an amendment that I believe that the industry can live with. They'd rather have it the other way, certainly. But I think they can adjust their cost accordingly and still survive in our state. And this what we want them to do. We want...we need to keep these insurance companies here. Also this comes at a time when the economic conditions are not too great in our state, especially in our rural areas. If a business or an industry receives a tax increase, such as this one, they are going to have to pass part of it on. They just can't absorb it all themselves. So this will give them a little time, buy a little time for them so that they can work it into their cost. This is a phase in. Instead of going from 6/10th to