

version. Withdraw the first one.

CLERK: All right, thank you.

SPEAKER NICHOL: Senator Landis.

SENATOR LANDIS: Thank you. We are on the bill drafted version. Five years ago we limited the amount of life insurance you could take through bankruptcy with you to \$5,000 of cash value. This does the same thing for annuities. What a very skillful, sophisticated debtor will do is to, just before bankruptcy, take out an annuity, sheltered income, go through bankruptcy, in essence undo all of the creditors' works and liabilities that they have, and then survive on this annuity. And I've passed out for you some letters from the bankers association who have indicated they have found this in the field. I know of lawyers who have told me that they have counseled clients that if they want to beat bankruptcy, this is the way to do it. The legislative policy has been clear in the past, to foreclose this loophole and to make bankruptcy a distribution of whatever assets you have to creditors, and then a fresh start, but not meant to hide or shelter income and to defraud creditors. This closes a loophole. I'd urge for the adoption of the amendment.

SPEAKER NICHOL: Senator Pirsch, please. Okay, the question is the adoption of the amendment. All those in favor vote aye, opposed nay. Have you all voted? We're voting on the Landis amendment. If you care to vote, please do so. Senator Landis, we are bogging down here.

SENATOR LANDIS: Excuse me. If a call of the house is necessary for the adoption of the amendment...

SPEAKER NICHOL: Record, Mr. Clerk.

CLERK: 25 ayes, 0 nays, Mr. President, on adoption of Senator Landis's amendment.

SPEAKER NICHOL: The amendment is adopted. Do you have anything else on it?

CLERK: Nothing further on the bill, Mr. President.

SENATOR LANDIS: (Microphone not activated.) ...the bill.

SPEAKER NICHOL: The question is the advancement of the bill.