

same code as any other insurance company, and with respect to the insurance that they provide, let's say it's Blue Cross-Blue Shield, or any of the other medical health providing insurance companies, their practices are covered by existing law and covered by the Insurance Department. With respect to the political subdivision who steps in between the employee and that insurance company, their practices are governed by, first, the actuary; secondly, by the statute; third, by their contract with the employee. Let's go through the provisions of LB 167. Believe me, I will save you from reading the white copy of the bill. But, for your sake, there's a good place to begin, and that's the green copy of the bill. The green copy of the bill is one page long. Green copy says, political subdivisions can do this business. That's it. Well, prior to the hearing, NSEA came to see me, and they said, Dave, don't you think that's inadequate? It doesn't have any guarantees for safety and soundness. And I said, you're right, it's certainly inadequate. I brought in the amendments of the League and I told them, look, as far as I'm concerned that green copy is unacceptable. I'm not going to be voting for it. It wouldn't be good policy. And if you want something passed this year, we better get to work now at finding some way of addressing reasonable concerns for safety and soundness. We then had the hearing before the Banking Committee after both sides had been told that this was the situation. Senator Kristensen provides some clarifying amendments on behalf of the proponents. After reviewing them, I found them inadequate, and talked to proponents and opponents in my office, that was February 12; this is the second time now for both sides outside the public hearing, and told them that I was concerned about the level of the amendments and they should be improved. I asked for all sides to assist in drafting those improvements. I did get the confirmation from the proponents. The opponents said, basically, number one, we would consider grandfathering existing plans, and then putting off any other action until next year. Beyond that, as far as the drafting of the bill goes, it's really not our obligation because, in fact, it's the burden of the proponents to do that. Fair enough. There was a meeting between the proponents and the opponents with experts, this included the Department of Insurance, proponents, representatives of insurance companies, including Blue Cross-Blue Shield, NSEA was present, so was Blue Cross-Blue Shield. They talked about a number of issues. The meeting broke up, the proponents stayed around, kept working, and then began a series of meetings with the Insurance Department, looking for additional language and using models from other