

One Hundred Second Legislature - Second Session - 2012

Introducer's Statement of Intent

LB1064

Chairperson: Senator Rich Pahls

Committee: Banking, Commerce and Insurance

Date of Hearing: January 31, 2012

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB1064 amends Neb. Rev. Stat. 44-5510 to allow excess disability insurance as an allowed product for exporting through Surplus Lines. This form of disability insurance coverage, also referred to as "High Limit Disability," "Excess Disability," "Special Risk Disability," and "Supplemental Disability," is permitted to be sold through surplus lines in the vast majority of states, but is presently disallowed in Nebraska. Such excess disability plans do not compete with the traditional disability markets and are not allowed unless the admitted markets cannot provide the coverage a person needs. Adding excess disability insurance is intended to enhance the market options for Nebraska consumers and provide licensed Nebraskan producers additional options for their clients.

Principal Introducer: _____

Senator Tony Fulton