

LEGISLATIVE BILL 1045

Approved by the Governor April 16, 2008

Introduced by Pankonin, 2.

FOR AN ACT relating to insurance; to change provisions relating to coverage changes in property and casualty and automobile liability policies; and to provide a duty for the Revisor of Statutes.

Be it enacted by the people of the State of Nebraska,

Section 1. (1) If an insurer reduces or eliminates any coverage in or introduces a more restrictive condition as part of a policy in force delivered or issued for delivery in this state and subject to sections 44-514 to 44-521 or section 44-522 or 44-523 prior to renewal of the policy and other than at the request of the named insured or as required by law, the insurer shall send to the named insured a notice explaining clearly what coverage has been reduced or eliminated or what condition has been restricted. The notice may be in a printed or electronic form if the named insured requested the electronic form and there was an agreement to that effect with the insurer prior to such request. If the named insured does not receive the notice, the reduction or elimination of coverage or restrictive condition shall not become part of the policy. It shall be a rebuttable presumption that all insureds received the notice if it was sent by email or first-class mail to the named insured's last-known email address or mailing address contained in the policy.

(2) Notice of any reduction or elimination of coverage or restrictive condition as part of a policy in force delivered or issued for delivery in this state and subject to sections 44-514 to 44-521 or section 44-522 or 44-523 and other than at the request of the named insured or as required by law shall be sent to each agency that holds an agency contract with the insurer prior to the introduction into the marketplace of a policy containing the reduction or elimination of coverage or restrictive condition.

(3) Nothing in this section shall restrict the right of the parties to an insurance contract to amend the contract, during the policy term but not during the renewal process, pursuant to an endorsement attached to the policy if requested by a named insured under the policy. An endorsement attached to a policy pursuant to this subsection requires no further notice beyond such endorsement.

Sec. 2. The Revisor of Statutes shall assign section 1 of this act to Chapter 44, article 5.