

One Hundred Fourth Legislature - Second Session - 2016

Introducer's Statement of Intent

LB758

Chairperson: Senator Jim Scheer

Committee: Banking, Commerce and Insurance

Date of Hearing: January 26, 2016

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

LB758, introduced on behalf of the Director of Insurance, would amend the Nebraska Uniform Limited Liability Company Act to prevent insurers from forming as Limited Liability Companies. Insurers are complex business associations that require more robust organization than a limited liability company organization can provide. The prohibition proposed in LB758 existed in the previous limited liability company act.

The bill also amends section 44-8216 to eliminate the ability of special purpose financial captive insurers to form as a limited liability company or as a partnership. Special purpose financial captive insurers are specialized captive insurers which provide insurance and reinsurance to a parent or affiliate. Special purpose financial captive insurers also require more robust organization than a limited liability company organization can provide.

Principal Introducer: _____

Senator Jim Scheer