

AMENDMENTS TO LB743

Introduced by Lindstrom, 18.

1 1. Insert the following new sections:

2 Sec. 20. Section 44-2607, Reissue Revised Statutes of Nebraska, is  
3 amended to read:

4 44-2607 Insurance consultant shall mean any person who, for a fee,  
5 engages in the business of offering to the public any advice, counsel,  
6 opinion, or service with respect to insurable risks, or concerning the  
7 benefits, coverages, or provisions under any policy of insurance that  
8 could be issued in this state, or involving the advantages or  
9 disadvantages of any such policy of insurance, or any formal plan of  
10 managing pure risk. Insurance consultant does not include a public  
11 adjuster licensed under the Public Adjusters Licensing Act.

12 Sec. 29. Section 44-8108, Revised Statutes Cumulative Supplement,  
13 2016, is amended to read:

14 44-8108 (1) An insurance producer shall not solicit the sale of an  
15 annuity product unless the insurance producer has adequate knowledge of  
16 the product to recommend the annuity and the insurance producer is in  
17 compliance with the insurer's standards for product training. An  
18 insurance producer may rely on insurer-provided product-specific training  
19 standards and materials to comply with this subsection.

20 (2)(a)(i) An insurance producer who engages in the sale of annuity  
21 products shall complete a one-time four-credit training course approved  
22 by the Department of Insurance and provided by a department-approved  
23 education provider.

24 (ii) Insurance producers who hold a life insurance line of authority  
25 on July 19, 2012, and who desire to sell annuities shall complete the  
26 requirements of this subsection within six months after July 19, 2012.  
27 Individuals who obtain a life insurance line of authority on or after

1 July 19, 2012, shall not engage in the sale of annuities until the  
2 annuity training course required under this subsection has been  
3 completed.

4 (b) The minimum length of the training required under this  
5 subsection shall be sufficient to qualify for at least four continuing  
6 education credits, but may be longer.

7 (c) The training required under this subsection shall include  
8 information on the following topics:

9 (i) The types of annuities and various classifications of annuities;

10 (ii) Identification of the parties to an annuity;

11 (iii) How fixed, variable, and indexed annuity contract provisions  
12 affect consumers;

13 (iv) The application of income taxation of qualified and  
14 nonqualified annuities;

15 (v) The primary uses of annuities; and

16 (vi) Appropriate sales practices and replacement and disclosure  
17 requirements.

18 (d) Providers of courses intended to comply with this subsection  
19 shall cover all topics listed in the prescribed outline and shall not  
20 present any marketing information or provide training on sales techniques  
21 or specific information about a particular insurer's products. Additional  
22 topics may be offered in conjunction with and in addition to the required  
23 outline.

24 (e) A provider of an annuity training course intended to comply with  
25 this subsection shall register as a continuing education provider in this  
26 state and comply with the requirements applicable to insurance producer  
27 continuing education activities ~~courses~~ as set forth in section 44-3905.

28 (f) Annuity training courses may be conducted and completed by  
29 classroom or self-study methods in accordance with sections 44-3901 to  
30 44-3908.

31 (g) Providers of annuity training shall comply with the reporting

1 requirements and shall issue certificates of completion in accordance  
2 with sections 44-3901 to 44-3908.

3 (h) The satisfaction of training requirements of another state that  
4 are substantially similar to the provisions of this subsection shall be  
5 deemed to satisfy the training requirements of this subsection.

6 (i) An insurer shall verify that an insurance producer has completed  
7 the annuity training course required under this subsection before  
8 allowing the producer to sell an annuity product for that insurer. An  
9 insurer may satisfy its responsibility under this subsection by obtaining  
10 certificates of completion of the training course or obtaining reports  
11 provided by National Association of Insurance Commissioners-sponsored  
12 data base systems or vendors or from a reasonably reliable commercial  
13 data base vendor that has a reporting arrangement with approved insurance  
14 education providers.

15 2. On page 2, line 31, strike "or any".

16 3. On page 3, line 1, strike beginning with "other" through "doing"  
17 and insert ", does"; in line 3 strike "Acting" and insert "Acts" and  
18 strike "aiding" and insert "aids"; in line 6 strike "Advertising" and  
19 insert "Advertises"; in lines 7 and 10 strike "soliciting" and insert  
20 "solicits"; in line 7 strike "representing" and insert "represents"; in  
21 line 11 strike the comma; and in lines 26 and 31 strike "claimant" and  
22 insert "insured".

23 4. On page 7, line 21, strike "either"; and in line 22 strike  
24 beginning with "or" through "state".

25 5. On page 9, line 7; page 10, line 6; and page 19, line 2, strike  
26 "act" and insert "Public Adjusters Licensing Act".

27 6. On page 9, line 16, strike "of address".

28 7. On page 10, line 24, strike "insurance".

29 8. On page 11, line 1, strike the third comma; in line 3 after  
30 "elsewhere" insert "or failing to comply with section 17 of this act";  
31 and in line 4 after "insurance" insert "or public adjuster" and strike

1 "its equivalent" and insert "the equivalent thereof".

2 9. On page 12, line 13, strike "act" and insert "Public Adjusters  
3 Licensing Act".

4 10. On page 13, line 14, strike "courses" and insert "activities".

5 11. On page 14, line 2, after "of" insert "compensation, including,  
6 but not limited to,"; and in line 3 strike "compensation,".

7 12. On page 16, line 23, strike "cancellation" and insert  
8 "rescission".

9 13. On page 18, line 19, strike "Unless disclosed to the insured, a"  
10 and insert "A".

11 14. On page 19, line 24, strike the last comma; and in line 25  
12 strike the comma.

13 15. On page 21, line 22, strike "subdivision", show as stricken, and  
14 insert "subsection"; and in lines 27 and 31 strike "course", show as  
15 stricken, and insert "continuing education activity".

16 16. On page 22, line 4, strike "course", show as stricken, and  
17 insert "continuing education activity"; in line 12 strike "course" and  
18 insert "continuing education sponsor"; and in line 13 strike "provider".

19 17. On page 30, lines 2 and 12, strike "courses", show as stricken,  
20 and insert "activities"; in line 12 strike "subdivision", show as  
21 stricken, and insert "subsection"; and in line 13 strike "(1)(c)" and  
22 insert "(1)".

23 18. Renumber the remaining sections and amend the repealer  
24 accordingly.