

# **One Hundred Seventh Legislature - Second Session - 2022**

## **Introducer's Statement of Intent**

### **LB1042**

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**Chairperson: Senator Matt Williams**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 01, 2022**

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

LB1042 amends Nebraska law related to insurance rebates found at Neb. Rev. Stat. § 44-361 to adopt the changes recommended by the National Association of Insurance Commissioners related to value added products or services and gifts.

First, LB1042 creates an exception to the anti-rebating law to allow insurance companies and producers to provide consumers value added products or services not specified in the insurance policy if the product or service relates to the insurance coverage provided and meets certain other criteria set out in the legislation.

Second, LB1042 provides statutory guidance to insurance companies and producers on permitted gifts and other activities related to the marketing and sale of insurance products. The amounts are not to exceed amounts determined to be reasonable by the Director of Insurance.

The overall intent of the legislation is to provide needed flexibility in the law because of increased interest in risk mitigation devices and related services, as well as to provide clear guidance to the insurance community on gifts and other related activities.

**Principal Introducer:** \_\_\_\_\_

**Senator Eliot Bostar**