

LEGISLATURE OF NEBRASKA
ONE HUNDRED EIGHTH LEGISLATURE
SECOND SESSION

LEGISLATIVE BILL 849

Introduced by Jacobson, 42.

Read first time January 03, 2024

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to insurance; to amend section 44-7509,
- 2 Reissue Revised Statutes of Nebraska; to change provisions relating
- 3 to rate adjustments; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 44-7509, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 44-7509 (1) For medical professional liability insurance and for
4 insurance subject to section 44-7508, insurers may increase or decrease
5 premiums on an individual risk basis up to forty percent based on any
6 factor except:

7 (a) The rate adjustment cannot be based upon the race, creed,
8 national origin, or religion of the insured;

9 (b) The rate adjustment cannot violate the Unfair Discrimination
10 Against Subjects of Abuse in Insurance Act;

11 (c) The rate adjustment cannot apply to (i) insurance covering risks
12 of a personal nature, including insurance for homeowners, tenants,
13 private passenger nonfleet automobiles, mobile homes, and other property
14 and casualty insurance for personal, family, or household needs or (ii)
15 ~~insurance covering farms and ranches, including crop insurance; and~~

16 (d) The rate adjustment cannot be based solely upon the fact that
17 the insured is deployed in the military on Title 10 orders that require
18 the insured to be mobilized outside of the United States, United States
19 territories, and the District of Columbia for a period of six months or
20 greater.

21 (2) If the director finds after a hearing that (a) the utilization
22 of this section by the insurance industry has produced a significant
23 number of rate modifications at or near the upper limit and at the lower
24 limit of the allowable range of modification and (b) the modifiers at and
25 near the upper and lower limits of the allowable range of modification
26 appear to be predominantly correlated with individual risk factors that
27 relate to expected losses and expenses, the director may, by rules and
28 regulations, broaden the range of plus or minus forty percent for any
29 line or type of insurance subject to section 44-7508.

30 (3) If the director finds after a hearing that modifiers at or near
31 the upper or lower limits of the allowable range of modification are not

1 predominantly correlated with individual risk factors that relate to
2 expected losses and expenses, the director may, by rules and regulations,
3 reduce the range of plus or minus forty percent for any line or type of
4 insurance subject to section 44-7508, but such reduction shall not be to
5 less than plus or minus twenty-five percent.

6 Sec. 2. Original section 44-7509, Reissue Revised Statutes of
7 Nebraska, is repealed.