

March 6, 1981

LB 425

of adopting the committee amendments vote aye, opposed vote no. Record the vote.

CLERK: 25 ayes, 0 nays on the adoption of the committee amendments, Mr. President.

SPEAKER MARVEL: The motion is carried. The committee amendments were adopted. Now, Senator Dworak.

SENATOR DWORAK: Mr. President, colleagues, the committee amendments are the bill. The original bill was brought to me by Charlie Noren, Senator Noren, and I didn't particularly care for that bill. Essentially that bill would have eliminated the requirement for countersignatures on insurance policies in the State of Nebraska. The way the system works is that if a policy is sold out of Iowa, Kansas, Colorado and other states, before that policy can be effective in the State of Nebraska a resident agent must countersign it. With the strengthening, in my opinion, of the Insurance Commissioners through the National Association of Insurance Commissioners, the need for state scrutiny has diminished. We have become more federal in nature. We also buy more insurance from national companies that do business in a variety of states. In an effort to placate my feelings on it, it was offered that we go into a reciprocity arrangement whereby if the State of Iowa does not require a countersignature law, Nebraska would reciprocate and not require a countersignature law of those Iowans selling insurance in Nebraska or vice versa. I really do think that there are some strong arguments in abolishing the countersignature law because really in fact that agent countersigning does very little to justify the ten or fifteen dollar countersignature fee that is required. So the net result of the bill more indirectly, and I am stretching on this, should really probably reduce the cost of insurance to consumers because it is one less cost that is imposed upon the delivery of the product. I am going to give the rest of my time to Senator Barrett who has cosigned this bill with me and worked with me on it and who I consulted with in great depth before I agreed to put my name on it.

SPEAKER MARVEL: The Chair recognizes Senator Barrett. Senator Barrett.

SENATOR BARRETT: Yes, Mr. Speaker. I simply want to rise in wholehearted support of LB 425 as presented so ably by Senator Dworak. We have consulted on the bill. It is simply setting up a reciprocity agreement with other states. It modifies the present countersignature law, and as Senator Dworak suggested, there is some sympathy