

up because it makes you feel like it's going to be some kind of an industrial company; it's not. All it is is a company that has a retained expert on board that writes as a risk manager the insurance for the company, doesn't do their workmen's comp in that area, retains, as I say, a license insurance consultant and then who also has an aggregate premium of, at this point, \$25,000 and at least 25 employees. LB 279 changes those last two standards. They raise them from 25 to \$100,000 of aggregate premiums and they raised from 25 to 50 the number of full-time employees that qualifies one to be an industrial insured. If you have got this risk manager, if you're writing a \$100,000 worth of premiums, I'm sorry, not writing but paying a \$100,000 of premiums and you have 50 full-time employees, you can write business insurance with a company that is not admitted to this state. What's the theory? The theory is that you're now at a large enough organization, that's sophisticated enough, that has enough of a premium to go to other markets, defend themselves, protect themselves, have a risk manager on board and not need the oversight protection of our own Department of Insurance. These numbers have not been raised in 20 years. That's why they appear large when you consider the changes, but writing a \$100,000 of premiums is a rare phenomenon. Fifty employees, well, that's not quite so rare. But this is a sophisticated operation that has a risk manager on board and at this point the theory of the underlying law is you don't have to protect these big boys like you do most other individuals who buy much smaller amounts and who need the protection and oversight of the Director of the Department of Insurance. I move the advancement of LB 279. I am open to answering any questions you may have.

PRESIDENT: Any further discussion? If not, the ques...Senator Pirsch, please.

SENATOR PIRSCH: I just have a couple of questions for you, Senator Landis. We also are making sure that the insurance consultant is licensed. Right?

SENATOR LANDIS: Uh-huh.

SENATOR PIRSCH: The previous word was qualified.

SENATOR LANDIS: Right. And, by the way, that's a product of this law being 20 years old.

SENATOR PIRSCH: Okay.