

April 4, 1989

LB 279

SPEAKER BARRETT: Thank you. Proceed then to LB 279.

CLERK: Mr. President, I have no E & Rs to 279. I do have amendments offered by Senator Wesely. Senator, I have AM817 in front of me. I understand you'd like to withdraw and substitute AM1192. Is that correct, Senator? (Wesely amendment appears on page 1102 of the Legislative Journal.)

SENATOR WESELY: Yes.

SPEAKER BARRETT: If there is no objection, so ordered.

CLERK: Mr. President, Senators Landis and Wesely would move to suspend the germaneness rule so as to permit consideration of AM1192.

SPEAKER BARRETT: Senator Landis, will you handle it? Thank you.

SENATOR LANDIS: Yes, Mr. Speaker, members of the Legislature, LB 279 is a bill that arises out of the insurance task force that we've spoken several times of on the floor so far this year. It has stayed behind the other task force bills to serve as a trailer, should there have been needs for amendments to those bills. Consequently, as a trailer bill it is strategically located as one might imagine on Select File to serve as the catchall for insurance issues that need to be dealt with this year. The amendment that Senator Wesely and Senator Hartnett and myself offer is an amendment that has two elements to it that come from previously adopted bills that the Banking, Commerce and Insurance Committee heard, took public testimony on and reported out of committee. And, frankly, they are now appropriate to serve as amendments to this bill, but probably are not close enough to qualify for the germaneness rule. For that reason I wish to suspend the rules to allow these two considerations and let me tell you what the two bills are, the two ideas. The first bill creates an exception to the insurance statutes governing service contracts. What is a service contract? Well it's where a merchant or wherever holds out a contract to an individual and says if something goes wrong with your home or your plumbing or your siding or something else, you pay us a monthly rate and we'll take care of it when that problem arises. The contract has a monthly payment for it usually and they receive the service as the service is needed. The fact is that this approximates an insurance contract and we