

February 28, 1991 LB 237

authorized by the law of the home state or country of such company may be recognized as legal investments in the discretion of the Department of Insurance. And the current practice is, we, through our discretion, recognize all of those investments. We have no attempt currently to force foreign corporations to have exactly the same investment practices authorized for our domestics. Now, 237, basically, continues the same idea although it drops out what, through experience, we know is language that has no meaning. You are supposed to do the same thing we do except that we will give you discretion, ourselves discretion to let you out of it, which is what we do. If we wish to, we could pursue a rule that says foreigners and aliens will do exactly what our domestics do and no more. If we pursue that rule, we will be the odd thumb, and it will provoke a level of regulation we have never done before but might...certainly is one of the best arguments on the federal level for the federal regulation of insurance, so that...

PRESIDENT MOUL: One minute.

SENATOR LANDIS: ...you use one standard of investment practice for insurance companies doing business in this country. We don't. We have got 50 and this is the way we harmonize with other states. It is an Achilles heel. I certainly confess that. It is part of the difficulty of dealing with 50 regulators and not one.

PRESIDENT MOUL: Senator Warner, do you have any other time...you have a little bit more time. I will now recognize Senator Landis.

SENATOR LANDIS: Madam President, members of the body, either this amendment, which is suggested by, basically, the foreigners and the department, is acceptable to me, or the green copy of the bill is acceptable to me, or you can go back to our existing law, which is 44-316, and that is acceptable to me. Whichever of those three options the body wants to undertake today, I'd be happy to have those be in the code and live with the results. What would not be acceptable to me is to take on burdens that we have never assumed before, and that would be to require foreigners to exactly replicate our rules with respect to domestic insurance companies because it's really rather inconsistent with the system of state regulation. But any of those three options are acceptable to me. If Senator Warner wishes to suggest that we not pass this amendment, and prevails, I will be entirely