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FLOOR DEBATE

January 31, 2005 LB 119

amendment, pending further discussions.

SENATOR CUDABACK: AM0158 is withdrawn. Mr. Clerk, next amendment.

ASSISTANT CLERK: Mr. President, Senator Beutler would move to offer AM0159. (Legislative Journal page 392.)

SENATOR CUDABACK: Senator Beutler, you're recognized to open on AM0159 to LB 119.

SENATOR BEUTLER: You may recall in the prior discussion that the question of prior approval came up in a couple of different contexts. One was the context of the compact that was being suggested to you in the latter part of LB 119. And the other area where it came up was with respect to taking that section of the bill, Section 28, I think it was, that took out of the bill certain lines of insurance with respect to the requirement that there be prior approval on those lines of insurance. These were lines of insurance that were not affected by the compact. But basically, the effort was to end prior approval for some of those personal lines of insurance that remain the prerogative of...would remain, after this bill, the prerogative of this state alone. And you may recall that from the business side of the perspective, prior approval is perceived as being too slow. And what this amendment does is to indicate that prior approval would not be necessary in order to put a line of insurance into effect. But within 90 days of the filing, the Department of Insurance is obligated to review the filing. And if it turns out that the filing is not appropriate, then they can take effective action at that point in time. The thrust of the amendment is to accommodate the insurance companies in allowing them to make their filings and proceed ahead to put them in use, but at the same time, not to abandon the consumer, to require the Insurance Department to review them, so that there is some fixed accountability and response necessary from the insurance company, and by that means, hopefully, accommodate both the interest of the consumer in not having a bad product out there for a long period of time, anyway, and accommodate the insurance company's desire to file and use and move forward without unnecessary delays in anybody's insurance department. So that's