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currently have. In other words, if...just as if you had an insurance policy and you didn't pay the full premium, that would be a concern.

SENATOR CHAMBERS: Would the premium...would the policy then be canceled?

SENATOR D. PEDERSON: Probably we would receive a notification first that if we don't make the appropriate payments, that the policy will be canceled.

SENATOR CHAMBERS: Did the Fiscal staff or anybody else say that these increased costs for premiums were due to the work of trial attorneys?

SENATOR D. PEDERSON: I don't think they delved into the causation of the amount of the premium. I think they simply were informed and found out what the premium would be for the particular coverage that we had been affording. There's no new change in the coverage, no additions to the coverage. It's just that the rates went up. And I think we'll have to speculate as to why those rates went up.

SENATOR CHAMBERS: When the state enters an insurance contract,...

SENATOR CUDABACK: One minute.

SENATOR CHAMBERS: ...is there any statement in the contract about the period of time covered during which the premiums cannot be increased?

SENATOR D. PEDERSON: I think...it's my understanding that these are two-year policies. So during that two years, the rate doesn't go up. But now that two years goes up, so there was a rate adjustment at the end of the two-year period.

SENATOR CHAMBERS: Because the time is just about out this time, I will wait until I'm recognized. Then I have just two or three more questions I'd like to have answered. Thank you, Mr. President.