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FLOOR DEBATE

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Insurance Committee at the request of the Insurance Department. All of the strike and insert amendments would tweak the section which proposes amendments to the Title Insurers Act. This part of the bill would facilitate the process of a foreign title insurer to transfer its domicile to Nebraska. Remember when we talk about foreign companies or foreign title insurers, these are insurers that are in other states, not in other countries. Currently, we do not have a Nebraska domestic title insurer. The amendment makes four changes. First, on line 2 of the...the amendment would add a date so that the surrounding provisions would read consistently with their lead-in provisions that start at the bottom of the previous page. This change was suggested by our committee legal counsel. Number two, on line 19, the amendments would supply an omitted internal reference to the bill's proposed new subdivision (3)(b)(v) of Section 44-1988. It appears on lines 10 to 15. This was something caught by the legal committee counsel again, Bill Marienau. Number three, on lines 24 and 25, the amendments would adjust the formula which provides for release of earned premiums from reserves over a 25-year period, as that formula would relate to title insurers that would transfer their domicile to Nebraska. Currently, the bill would provide that for a title insurer that transfers its domicile to this state, 30 percent of its reserves may be released from the reserve and restored to net profits on July 1 following the date of transfer of its domicile, if the release were not...would not result in the aggregate reserve falling below the title insurer's required actuarial level. Therefore...or thereafter, the existing formula would be used. The question we have is about the date and what would happen if the date of transfer were to occur before July 1? Would it give the department enough time to...for a proper review of the matter? Maybe not, so here's the fix. The release would happen not on July 1 but rather 45...on the 45th day following the last calendar quarter in which the title insurer transfers its domicile. Again, this change was suggested by the Department of Insurance. And finally, agenda Item 4 of the changes, the amendment also adds the severability clause out of an abundance of caution. The bill has a variety of parts within the subject of the insurance and, admittedly, some groups still are uncomfortable that the amendments regarding motor vehicle service contracts would...added by the bill on Select File and