

LEGISLATIVE BILL 967

Approved by the Governor April 7, 2026

Introduced by Jacobson, 42; Hallstrom, 1.

A BILL FOR AN ACT relating to public health and welfare; to amend sections 44-150, 44-4055, 44-4059, 44-4064, 44-6122, 81-6,123, 81-6,125, 81-6,127, 81-6,128, 81-12,147, and 81-12,148, Reissue Revised Statutes of Nebraska, sections 44-116 and 44-4605, Revised Statutes Cumulative Supplement, 2024, and section 44-1523, Revised Statutes Supplement, 2025; to change a transfer from the Department of Insurance Cash Fund; to change provisions relating to reciprocal licenses and retaliatory measures; to include pharmacy benefit managers under the Unfair Insurance Trade Practices Act; to change provisions relating to nonresident license requirements and the process for issuance, verification, and termination of such licenses under the Insurance Producers Licensing Act; to change fees under the Insurance Producers Licensing Act; to provide certain penalties and require notification of certain material changes under the Pharmacy Benefit Manager Licensure and Regulation Act; to provide requirements for electronic notice of annual meetings under the Mutual Insurance Holding Company Act; to change requirements for participation in the operation of the designated health information exchange; to change membership and duties of the Health Information Technology Board; to change eligible activities for and requirements for assistance from the Site and Building Development Fund; to adopt the Nebraska Protection of Seniors from Insurance Exploitation Act; to prohibit health insurance plans from restricting certain claim payment methods; to harmonize provisions; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. Section 44-116, Revised Statutes Cumulative Supplement, 2024, is amended to read:

44-116 (1) All money collected by the Department of Insurance for examination of the affairs of domestic, foreign, or alien insurance companies and insurers as defined in and pursuant to the Insurers Examination Act or any other provision of Chapter 44 or for valuing the reserve liabilities of life insurance companies shall be remitted by the department to the State Treasurer for credit to the Department of Insurance Cash Fund, which fund is hereby created. Money in the Department of Insurance Cash Fund may be used for transfers to the General Fund at the direction of the Legislature. Any money in the Department of Insurance Cash Fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.

(2) The State Treasurer shall transfer fourteen million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2026, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer thirteen ~~eleven~~ million two hundred thousand dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2027, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer eleven million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2028, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services. The State Treasurer shall transfer eleven million dollars from the Department of Insurance Cash Fund to the General Fund on or before June 30, 2029, on such dates and in such amounts as directed by the budget administrator of the budget division of the Department of Administrative Services.

Sec. 2. Section 44-150, Reissue Revised Statutes of Nebraska, is amended to read:

44-150 (1) When by or pursuant to the laws of any other state or foreign country any taxes, licenses and other fees, in the aggregate, or any fines, penalties, deposit requirements, or other material obligations, prohibitions, or restrictions, are or would be imposed upon Nebraska insurers, or upon the agents or representatives of such insurers, which are in excess of such taxes, licenses and other fees, in the aggregate, or which are in excess of the fines, penalties, deposit requirements, or other obligations, prohibitions, or restrictions directly imposed upon similar insurers, or upon the agents or representatives of such insurers, of such other state or country under the statutes of this state, so long as such laws of such other state or country continue in force or are so applied, the same taxes, licenses and other fees, in the aggregate, or fines, penalties, deposit requirements, or other material obligations, prohibitions, or restrictions of whatever kind shall be imposed by the Director of Insurance upon the insurers, or upon the agents or representatives of such insurers, of such other state or country doing business or seeking to do business in Nebraska. Any tax, license or other fee, or other obligation imposed by any city, county, or other political subdivision or

agency of such other state or country on Nebraska insurers or their agents or representatives shall be deemed to be imposed by such state or country within the meaning of this section.

(2) This section shall not apply as to personal income taxes, nor as to ad valorem taxes on real or personal property nor as to special-purpose obligations or assessments heretofore imposed by another state in connection with particular kinds of insurance, other than property insurance; except that deductions, from premium taxes or other taxes otherwise payable, allowed on account of real estate or personal property taxes paid shall be taken into consideration by the Director of Insurance in determining the propriety and extent of retaliatory action under this section.

~~(3) Nothing in this section shall require retaliatory action because of fees, obligations, or prohibitions imposed on Nebraska insurance producers licensed pursuant to the Insurance Producers Licensing Act.~~

(3) (4) For the purposes of this section the domicile of an alien insurer, other than insurers formed under the laws of Canada, shall be that state designated by the insurer in writing filed with the Director of Insurance at time of admission to this state or within twelve months after September 28, 1959, whichever date is the later, and may be any one of the following states: (a) That in which the insurer was first authorized to transact insurance; (b) that in which is located the insurer's principal place of business in the United States; or (c) that in which is held the larger deposit of trusteed assets of the insurer for the protection of its policyholders and creditors in the United States.

If the insurer makes no such designation its domicile shall be deemed to be that state in which is located its principal place of business in the United States.

In the case of an insurer formed under the laws of Canada or a province thereof, its domicile shall be deemed to be that province in which its head office is situated.

Sec. 3. Section 44-1523, Revised Statutes Supplement, 2025, is amended to read:

44-1523 For purposes of the Unfair Insurance Trade Practices Act:

(1) Customer means an individual who purchases, applies to purchase, or is solicited to purchase an insurance product primarily for personal, family, or household purposes;

(2) Department means the Department of Insurance;

(3) Director means the Director of Insurance;

(4) Health insurance lead generator means a person that utilizes a lead generating device to (a) publicize the availability of what is, or what purports to be, a health insurance product or service that the person is not licensed to sell directly to a customer, (b) identify a customer who may want to learn about a health insurance product, or (c) sell or transmit customer information to an insurer or producer for follow-up contact and sales activity;

(5) Insured means the party named on a policy or certificate as the individual with legal rights to the benefits provided by such policy or certificate;

(6) Insurer means any person, reciprocal exchange, interinsurer, Lloyds-type insurer or other similar group which includes an incorporated and individual unincorporated underwriter, a fraternal benefit society, or other legal entity engaged in the business of insurance, including an agent, a broker, an insurance consultant, an adjuster, a pharmacy benefit manager, or a third-party administrator. Insurer also includes a health maintenance organization, a prepaid limited health service organization, and a dental, optometric, or other similar health service plan. For purposes of the Unfair Insurance Trade Practices Act, all such insurers shall be deemed to be engaged in the business of insurance;

(7) Lead generating device means a communication directed to the public that, regardless of form, content, or stated purpose, is intended to result in the compilation or qualification of a list containing names and other personal information to be used to solicit residents of this state for the purchase of what is, or what purports to be, a health insurance product or service;

(8) Person means a natural or artificial entity, including, but not limited to, an individual, a partnership, a limited liability company, an association, a trust, or a corporation, including a health insurance lead generator operating as a natural or artificial entity;

(9) Policy or certificate means any contract of insurance, indemnity, suretyship, or annuity issued, proposed for issuance, or intended for issuance by an insurer; and

(10) Recording means an audio reproduction of sales and verification of calls, including virtual technology calls, in its entirety, used in the marketing of insurance.

Sec. 4. Section 44-4055, Reissue Revised Statutes of Nebraska, is amended to read:

44-4055 (1) Unless denied licensure pursuant to section 44-4059, a nonresident person shall receive a nonresident insurance producer license if:

(a) The person is currently licensed as a resident and in good standing in his or her home state;

(b) The person has submitted the proper request for licensure and has paid the fees required by section 44-4064;

(c) The person has submitted or transmitted to the director the application for licensure that the person submitted to his or her home state, or in lieu of the same, a completed uniform application; and

(d) The person's home state awards nonresident producer licenses to residents of this state on the same basis.

(2) The director may verify the insurance producer's licensing status through the producer database maintained by the National Association of Insurance Commissioners, ~~or its affiliates or subsidiaries, or any successor, or by contacting the person's home state regulator.~~

(3) A nonresident insurance producer who moves from one state to another state or a resident producer who moves from this state to another state shall file a change of address and provide certification from the new resident state within thirty days of the change of legal residence. No fee or license application is required for the filing of the change of address.

(4) Notwithstanding any other provision of the Insurance Producers Licensing Act, a person licensed as a surplus lines insurance producer in his or her home state shall receive a nonresident surplus lines producer license pursuant to subsection (1) of this section. Except as to subsection (1) of this section, nothing in this section otherwise amends or supersedes any provision of the Surplus Lines Insurance Act.

(5) Notwithstanding any other provisions of the Insurance Producers Licensing Act, a person licensed as a limited line credit insurance producer, a limited line pre-need funeral insurance producer, or other type of limited lines producer in his or her home state shall receive a nonresident limited lines insurance producer license, pursuant to subsection (1) of this section, granting the same scope of authority as granted under the license issued by the producer's home state.

(6) If a nonresident licensee's license or authority in the licensee's home state is no longer active, whether as a result of suspension, revocation, termination, lapse, voluntary surrender, or other action by the home state regulator, the director may cancel the nonresident licensee's license or authority granted in this state by sending an order of license revocation to the licensee. The licensee may make written demand upon the director within thirty days after receiving such order of license revocation for a hearing before the director to provide proof the licensee is currently licensed as a resident and in good standing in his or her home state. Such hearing shall be held within thirty days after the date a request for hearing is received and shall be held pursuant to the Administrative Procedure Act. If no hearing is requested within thirty days after receipt of an order of license revocation, the order of license revocation shall become a final order.

Sec. 5. Section 44-4059, Reissue Revised Statutes of Nebraska, is amended to read:

44-4059 (1) The director may suspend, revoke, or refuse to issue or renew an insurance producer's license or may levy an administrative fine in accordance with subsection (5) ~~(4)~~ of this section, or any combination of actions, for any one or more of the following causes:

(a) Providing incorrect, misleading, incomplete, or materially untrue information in the license application;

(b) Violating any insurance law or violating any rule, regulation, subpoena, or order of the director or of another state's insurance commissioner or director;

(c) Obtaining or attempting to obtain a license through misrepresentation or fraud;

(d) Improperly withholding, misappropriating, or converting any money or property received in the course of doing insurance business;

(e) Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

(f) Having been convicted of a felony or a Class I, II, or III misdemeanor;

(g) Having admitted or been found to have committed any insurance unfair trade practice, any unfair claims settlement practice, or fraud;

(h) Using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of business in this state or elsewhere;

(i) Having an insurance producer license, or its equivalent, denied, suspended, placed on probation, or revoked in Nebraska or in any other state, province, district, or territory;

(j) Forging another's name to an application for insurance or to any document related to an insurance transaction;

(k) Improperly using notes or any other reference material to complete an examination for an insurance license;

(l) Knowingly accepting insurance business from an individual who is not licensed;

(m) Failing to comply with an administrative or court order imposing a child support obligation pursuant to the License Suspension Act; and

(n) Failing to pay state income tax or comply with any administrative or court order directing payment of state income tax. ~~;~~ and

(2) If the director has notice that a nonresident licensee failed to maintain, in good standing, a resident license in the insurance producer's home state, the nonresident license shall be automatically revoked by the director and the director shall not be required to issue an order of license revocation in accordance with subsection (6) of section 44-4055 or renew such license.

~~(o) Failing to maintain in good standing a resident license in the insurance producer's home state.~~

(3) ~~(2)~~ If the director does not renew or denies an application for a license, the director shall notify the applicant or licensee and advise, in

writing, the applicant or licensee of the reason for the denial or nonrenewal of the applicant's or licensee's license. The applicant or licensee may make written demand upon the director within thirty days for a hearing before the director to determine the reasonableness of the director's action. The hearing shall be held within thirty days and shall be held pursuant to the Administrative Procedure Act.

(4) (3) The license of a business entity may be suspended, revoked, or refused if the director finds, after notice and hearing, that an individual licensee's violation was known or should have been known by one or more of the partners, officers, or managers acting on behalf of the business entity and the violation was neither reported to the director nor corrective action taken.

(5) (4) In addition to or in lieu of any applicable denial, suspension, or revocation of a license, any person violating the Insurance Producers Licensing Act may, after notice and hearing, be subject to an administrative fine of not more than one thousand dollars per violation. Such fine may be enforced in the same manner as civil judgments. Any person charged with a violation of the act may waive his or her right to a hearing and consent to such discipline as the director determines is appropriate. The Administrative Procedure Act shall govern all hearings held pursuant to such act.

(6) (5) The director shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Insurance Producers Licensing Act against any person who is under investigation for or charged with a violation of the act even if the person's license or registration has been surrendered or has lapsed by operation of law. No disciplinary proceeding shall be instituted against any licensed person after the expiration of three years from the termination of such license.

Sec. 6. Section 44-4064, Reissue Revised Statutes of Nebraska, is amended to read:

44-4064 (1) Before any license or appointment is issued or renewed under the Insurance Producers Licensing Act or before any appointment is terminated, the person requesting such license shall pay or cause to be paid to the director the following fee or fees, if applicable, as established by the director:

(a) For each insurance producer license, a fee not to exceed one hundred dollars, except that if any other state imposes additional or greater fees, obligations, or prohibitions on Nebraska resident insurance producers, then such additional or greater fees, obligations, or prohibitions shall be imposed upon similar insurance producers of such other state applying for a license in Nebraska;

(b) For each annual appointment, a fee not to exceed ten dollars;

(c) For each termination of an appointment, a fee not to exceed ten dollars;

(d) A late renewal fee not to exceed one hundred twenty-five dollars;

(e) A reinstatement fee not to exceed one hundred seventy-five dollars; and

(f) For each business entity license, a fee not to exceed fifty dollars, except that if any other state imposes additional or greater fees, obligations, or prohibitions on Nebraska business entities, then such additional or greater fees, obligations, or prohibitions shall be imposed upon similar business entities of such other state applying for a license in Nebraska.

(2) If a licensed person (a) desires to add a line or lines of insurance to his or her existing license, (b) seeks to change any other information contained in the license for any reason, or (c) applies for a duplicate license, such person shall pay to the director a fee established by the director to cover the expense of replacing the license.

(3) The director shall not prorate fees imposed pursuant to subsection (1) of this section and shall not refund fees to any person in the event of a license denial. The director may refund fees paid pursuant to this section if the payment has been made in error.

Sec. 7. Section 44-4605, Revised Statutes Cumulative Supplement, 2024, is amended to read:

44-4605 (1) A person shall not establish or operate as a pharmacy benefit manager in this state for a health benefit plan without first obtaining a license from the director under the Pharmacy Benefit Manager Licensure and Regulation Act.

(2) The director may adopt and promulgate rules and regulations establishing the licensing application, financial, and reporting requirements for pharmacy benefit managers under the act.

(3) A person applying for a pharmacy benefit manager license shall submit an application for licensure in the form and manner prescribed by the director.

(4) A person submitting an application for a pharmacy benefit manager license shall include with the application a nonrefundable application fee. The director shall establish the nonrefundable application fee in an amount not to exceed five hundred dollars.

(5) The director may refuse to issue or renew a license if the director determines that the applicant or any individual responsible for the conduct of affairs of the applicant is not competent, trustworthy, financially responsible, or of good personal and business reputation, has been found to have violated the insurance laws of this state or any other jurisdiction, or has had an insurance or other certificate of authority or license denied or revoked for cause by any jurisdiction.

(6)(a) Unless surrendered, suspended, or revoked by the director, a license issued under this section is valid as long as the pharmacy benefit

manager continues to do business in this state and remains in compliance with the provisions of the act and any applicable rules and regulations, including the completion of a renewal application on a form prescribed by the director and payment of an annual license renewal fee. The director shall establish the annual license renewal fee in an amount not to exceed two hundred fifty dollars.

(b) Such application and renewal fee shall be received by the director on or before thirty days prior to the anniversary of the effective date of the pharmacy benefit manager's initial or most recent license.

(c) Subject to subdivision (6)(d) of this section, if a pharmacy benefit manager fails to comply with subdivision (6)(b) of this section:

(i) Such pharmacy benefit manager shall pay a fine of one hundred dollars for each day such failure continues and the pharmacy benefit manager continues to transact any business in this state; and

(ii) In addition to the fine required under subdivision (6)(c)(i) of this section, if the renewal application and fee are not received prior to the anniversary of the effective date of the pharmacy benefit manager's initial or most recent license, the pharmacy benefit manager's license shall be suspended until the pharmacy benefit manager has complied with subdivision (6)(b) of this section, any rules and regulations adopted and promulgated under this section, and any orders issued under this section. The director shall remit all such fines to the State Treasurer for distribution in accordance with Article VII, section 5, of the Constitution of Nebraska.

(d) For good and sufficient cause shown, the director may grant a reasonable extension of time not to exceed thirty days within which the renewal application and fee may be filed as required under subdivision (6)(b) of this section without the fine required under subdivision (6)(c)(i) of this section and without any suspension authorized under subdivision (6)(c)(ii) of this section.

(7) A pharmacy benefit manager shall immediately notify the director of any material change in its ownership or control or other fact or circumstance affecting its qualification for a license as a pharmacy benefit manager in this state.

Sec. 8. Section 44-6122, Reissue Revised Statutes of Nebraska, is amended to read:

44-6122 Sections 44-6122 to 44-6143 and section 9 of this act shall be known and may be cited as the Mutual Insurance Holding Company Act.

Sec. 9. (1) A mutual insurance holding company shall provide notice of its annual meeting to its members as provided by the company's bylaws or, if the bylaws are silent, in a manner that is reasonable. Electronic notice, either by direct electronic transmission, publication on a designated website, or comparable technology, is reasonable if:

(a) For notice by direct electronic transmission, the notice is sent to an electronic address or account that the member has designated for receipt of notices or to an electronic address the company reasonably believes will reach the recipient; or

(b) For notice published on a designated website, the company has previously informed its members of the time, location, and procedure for accessing notices published on a designated website.

(2) The notice described in subsection (1) of this section shall include all information otherwise required by law, including instructions for accessing meeting materials and for voting or participating in the meeting if electronic participation or voting is permitted.

(3) Notice shall be effective on the date that such notice is sent, or if published on a designated website, on the date the notice is published. The company shall demonstrate delivery to the electronic address or account or publication on a designated website, by contemporaneous logs, delivery receipts, or portal access records.

(4) Nothing in this section precludes a company from using electronic means or publication on its website to provide meeting materials, proxies, ballots, or other member communications if the company complies with the requirements of this section.

(5) After receipt of notice, a member may contact the company to request that printed meeting materials be sent via United States mail at no cost to the member.

(6) A mutual insurance holding company may also provide notice of an annual meeting to members as part of policy language, a policy endorsement, a rider, or an amendment.

Sec. 10. Section 81-6,123, Reissue Revised Statutes of Nebraska, is amended to read:

81-6,123 Sections 81-6,123 to ~~81-6,128~~ 81-6,126 shall be known and may be cited as the Population Health Information Act.

Sec. 11. Section 81-6,125, Reissue Revised Statutes of Nebraska, is amended to read:

81-6,125 (1) The purpose of the Population Health Information Act is to designate a health information exchange to provide the data infrastructure needed to assist in creating a healthier Nebraska and operating the electronic health records initiative.

(2) The designated health information exchange shall:

(a) Enable the secure and seamless exchange of health information in real-time between health care providers and health care entities for the purposes of evaluating and monitoring a patient's care and treatment and reducing health care costs;

~~(b) (a)~~ Aggregate clinical information from health care entities needed to support the operation of the medical assistance program under the Medical Assistance Act;

~~(c) (b)~~ Act as the designated entity for purposes of access to, and analysis of, health data;

~~(d) (c)~~ Collect and analyze data for purposes of informing the Legislature, the department, health care providers, and health care entities as to the cost of, access to, and quality of health care in Nebraska; and

~~(e) (d)~~ Act as a collector and reporter of public health data for registry submissions, electronic laboratory reporting, immunization reporting, and syndromic surveillance from an electronic health record, which does not include claims data; and

~~(e) Enable any health care provider or health care entity to access information available within the designated health information exchange to evaluate and monitor care and treatment of a patient in accordance with the privacy and security provisions set forth in the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191.~~

~~(3)(a)~~ On or before January 1, 2027 ~~September 30, 2021~~, each health care facility listed in subdivision (b) of this subsection shall participate in the designated health information exchange through sharing of clinical information. Subject to subsection (5) of this section, such ~~Such~~ clinical information shall include the clinical data that the health care facility captured in its existing electronic health record as permitted by state and federal laws, rules, and regulations. Any patient health information shared with the designated health information exchange as determined by the rules and regulations ~~policies~~ adopted by the Health Information Technology Board shall be provided in accordance with the privacy and security provisions set forth in the federal Health Insurance Portability and Accountability Act of 1996 and regulations adopted under the act.

(b) This subsection applies to an ambulatory surgical center, a critical access hospital, a general acute hospital, a health clinic, a hospital, an intermediate care facility, a long-term care hospital, a mental health substance use treatment center, a PACE center, a pharmacy, a psychiatric or mental hospital, a public health clinic, or a rehabilitation hospital, as such terms are defined in the Health Care Facility Licensure Act, or a diagnostic, laboratory, or imaging center.

(c) This subsection does not apply to (i) a state-owned or state-operated facility or (ii) an assisted-living facility, a nursing facility, or a skilled nursing facility, as such terms are defined in the Health Care Facility Licensure Act.

(d) Any connection established by July 1, 2021, between a health care facility and the designated health information exchange to facilitate such participation shall be at no cost to the participating health care facility.

~~(e) A health care facility may apply to the board for a waiver from the requirement to participate under this subsection due to a technological burden. The board shall review the application and determine whether to waive the requirement. If the board waives the requirement for a health care facility, the board shall review the waiver annually to determine if the health care facility continues to qualify for the waiver.~~

~~(e) (f)~~ The board shall not require a health care facility to purchase or contract for an electronic records management system or service.

~~(4)(a)~~ On or before January 1, 2022, each health insurance plan shall participate in the designated health information exchange through sharing of information. Subject to ~~subsection (6) (5)~~ subsection (6) (5) of this section, such information shall be determined by rules and regulations ~~policies~~ adopted by the Health Information Technology Board and shall be provided in accordance with the privacy and security provisions set forth in the federal Health Insurance Portability and Accountability Act of 1996 and regulations adopted under the act.

(b) For purposes of this subsection:

(i) Health insurance plan includes any group or individual sickness and accident insurance policy, health maintenance organization contract, subscriber contract, employee medical, surgical, or hospital care benefit plan, or self-funded employee benefit plan to the extent not preempted by federal law; and

(ii) Health insurance plan does not include (A) accident-only, disability-income, hospital confinement indemnity, dental, hearing, vision, or credit insurance, (B) coverage issued as a supplement to liability insurance, (C) insurance provided as a supplement to medicare, (D) insurance arising from workers' compensation provisions, (E) automobile medical payment insurance, (F) insurance policies that provide coverage for a specified disease or any other limited benefit coverage, or (G) insurance under which benefits are payable with or without regard to fault and which is statutorily required to be contained in any liability insurance policy.

(5) The designated health information exchange shall not require a health care facility or health insurance plan to submit data or information except that required by rules and regulations adopted by the Health Information Technology Board.

~~(6) (5)~~ The designated health information exchange and the department shall enter into an agreement to allow the designated health information exchange to collect, aggregate, analyze, report, and release de-identified data, as defined by the federal Health Insurance Portability and Accountability Act of 1996, that is derived from the administration of the medical assistance program. Such written agreement shall be executed no later than September 30,

2021.

(7) ~~(6)~~ In addition to the right to opt out as provided in section 71-2454, an individual shall have the right to opt out of the designated health information exchange or the sharing of information required under subsections (3) and (4) of this section. The designated health information exchange shall adopt a patient opt-out policy consistent with the federal Health Insurance Portability and Accountability Act of 1996 and other applicable federal requirements. Such policy shall not apply to mandatory public health reporting requirements.

Sec. 12. Section 81-6,127, Reissue Revised Statutes of Nebraska, is amended to read:

81-6,127 (1) The Health Information Technology Board is created. The board shall have twenty-one ~~seventeen~~ members. Except for members designated in subdivision (2)(o) of this section, the members shall be appointed by the Governor with the approval of a majority of the members of the Legislature. The members may begin to serve immediately following appointment and prior to approval by the Legislature. ~~The members shall be appointed by February 1, 2021, and the board shall begin meeting on or before April 1, 2021.~~

(2) Members designated under subdivisions (b), (c), (d), (e), (g), (h), and (i) of this subsection shall hold a credential under the Uniform Credentialing Act. Except as otherwise provided in subsection (4) of this section, the board shall consist of:

(a) One individual who has experience in operating the prescription drug monitoring program created under section 71-2454;

(b) Two physicians, one of whom shall be a family practice physician, who are in active practice and in good standing with the Department of Health and Human Services appointed from a list of physicians provided by a statewide organization representing physicians;

(c) One pharmacist who is in active practice and in good standing with the department appointed from a list of pharmacists provided by a statewide organization representing pharmacists;

(d) One alcohol and drug counselor providing services for a state-licensed alcohol and drug abuse addiction treatment program;

(e) One health care provider who is board-certified in pain management;

(f) Two ~~One~~ hospital administrators ~~administrator~~ appointed from a list of hospital administrators provided by a statewide organization representing hospital administrators, only one of which shall represent critical access hospitals as defined in section 71-409;

(g) One dentist who is in active practice and in good standing with the department appointed from a list of dentists provided by a statewide organization representing dentists;

(h) One nurse practitioner who is in active practice and in good standing with the department authorized to prescribe medication appointed from a list of nurse practitioners authorized to prescribe medication provided by a statewide organization representing such nurse practitioners;

(i) One veterinarian who is in active practice and in good standing with the department appointed from a list of veterinarians provided by a statewide organization representing veterinarians;

(j) Two representatives ~~One representative~~ of the Department of Health and Human Services including one representative from the Division of Medicaid and Long-Term Care of the Department of Health and Human Services;

(k) One representative of a delegate as defined in section 71-2454;

(l) One health care payor as defined in section 25-21,247 or an employee of a health care payor;

(m) One credentialed health information management professional appointed from a list of such professionals provided by a statewide organization representing such professionals;

(n) One representative of the statewide health information exchange described in section 71-2455; ~~and~~

(o) The chairperson of the Health and Human Services Committee of the Legislature and the chairperson of the Appropriations Committee of the Legislature, both of whom are nonvoting, ex officio members; ~~-~~

(p) One representative of an insurer, as defined in section 44-103, who offers at least one health insurance plan as defined in section 81-6,125; and

(q) One individual with experience in the electronic exchange of sensitive information.

(3) Except for members designated in subdivisions (2)(a) and (o) of this section:

(a) A minimum of three members shall be appointed from each congressional district;

(b) Each member shall be appointed for a five-year term ~~beginning on April 1, 2021,~~ and may serve for any number of such terms; ~~and~~

~~(c) Any member appointed prior to April 1, 2021, shall begin to serve immediately upon appointment and continue serving for the term beginning on April 1, 2021; and~~

~~(c)~~ (d) Any vacancy in membership, other than by expiration of a term, shall be filled within ninety days by the Governor by appointment for the vacant position as provided in subsection (2) of this section.

(4) If, after appointment, the classification of a member's credential changes or a member's credential classification is terminated and if such credential was a qualification for appointment, the member shall be permitted to continue to serve as a member of the board until the expiration of the term for which appointed unless the member loses the credential due to disciplinary

action.

(5) The members shall be reimbursed for their actual and necessary expenses incurred in serving on the board as provided in section 71-2455.

(6) A simple majority of members shall constitute a quorum for the transaction of all business.

Sec. 13. Section 81-6,128, Reissue Revised Statutes of Nebraska, is amended to read:

81-6,128 (1) The Health Information Technology Board shall:

(a) Establish criteria for data collection and disbursement by the statewide health information exchange described in section 71-2455 and the prescription drug monitoring program created under section 71-2454 to improve the quality of information provided to clinicians. Such data shall not include proprietary or confidential financial information maintained by a health care provider or health care entity;

(b) Establish the framework and standards necessary to ensure the secure and seamless exchange of health information in real-time between health care providers and health care entities through the statewide health information exchange;

(c) ~~(b)~~ Evaluate and ensure that the statewide health information exchange is meeting technological standards for reporting of data for the prescription drug monitoring program, including the data to be collected and reported and the frequency of data collection and disbursement;

(d) ~~(e)~~ Provide the governance oversight necessary to ensure that any health information in the statewide health information exchange and the prescription drug monitoring program may be accessed, used, or disclosed only in accordance with the privacy and security protections set forth in the federal Health Insurance Portability and Accountability Act of 1996, Public Law 104-191, and regulations promulgated thereunder. All protected health information is privileged, is not a public record, and may be withheld from the public pursuant to section 84-712.05; and

(e) ~~(d)~~ Provide recommendations to the statewide health information exchange on any other matters referred to the board.

(2) The board, upon the recommendation of the department, shall adopt rules and regulations policies and procedures necessary to carry out the Population Health Information Act its duties. Notwithstanding section 71-2455, the department shall draft, promulgate, and enforce such rules and regulations.

(3) The authority of the board to direct the use or release of data under this section or section 71-2454 shall apply only to requests submitted to the board after September 1, 2021.

(4) The board may hold meetings by telecommunication or electronic communication subject to the Open Meetings Act. Any official action or vote of the members of the board shall be preserved in the records of the board.

(5) By November 15, 2021, and November 15 of each year thereafter, the board shall develop and submit an annual report to the Governor and the Health and Human Services Committee of the Legislature regarding considerations undertaken, decisions made, accomplishments, and other relevant information. The report submitted to the Legislature shall be submitted electronically.

Sec. 14. Section 81-12,147, Reissue Revised Statutes of Nebraska, is amended to read:

81-12,147 (1) Except as provided in subsection (2) of this section, the Department of Economic Development shall use the Site and Building Development Fund to finance loans, grants, subsidies, credit enhancements, and other financial assistance for industrial site and building development and for expenses of the department as appropriated by the Legislature for administering the fund. The following activities are eligible for assistance from the fund:

(a) Grants or zero-interest loans to villages, cities, or counties to acquire land, infuse infrastructure, or otherwise make large sites and buildings ready for industrial development;

(b) Matching funds for new construction, rehabilitation, or acquisition of land and buildings to assist villages, cities, and counties;

(c) Technical assistance, design and finance services, and consultation for villages, cities, and counties for the preparation and creation of industrial-ready sites and buildings;

(d) Loan guarantees for eligible projects;

(e) Projects making industrial-ready sites and buildings more accessible to business and industry;

(f) Infrastructure projects necessary for the development of industrial-ready sites and buildings;

(g) Projects that mitigate the economic impact of a closure or downsizing of a private-sector entity by making necessary improvements to buildings and infrastructure;

(h) Public and private sector initiatives that will improve the military value of military installations by making necessary improvements to buildings and infrastructure, including, but not limited to, a grant for the establishment of the United States Strategic Command Nuclear Command, Control, and Communications public-private-partnership facility;

(i) A grant to a city of the second class that is served by two first-class railroads, that is within fifteen miles of two state borders, and that partners with public power utilities for purposes of expanding electrical system capacities and enhancing redundancy and resilience;

(j) A grant of two million dollars to a city of the first class located in the third congressional district if the property previously housed a university or college that is no longer extant and if the improvement and revitalization

of the real property is for purposes of supporting the housing, employment, and program needs of youth exiting the foster care system. In addition, the real property may be used for youth exiting juvenile court supervision in an out-of-home placement;

(k) Public and private sector initiatives that will improve the value of cities of the second class that have partnered with the United States Department of Defense or its contractors on upgrades to ground-based nuclear deterrence. Such improvements include the construction of electrical, drinking water, and clean water infrastructure; and

(1) Identification, evaluation, and development of large commercial and industrial sites and building infrastructure to attract major investment and employment opportunities for advanced manufacturing, processing, trade, technology, aerospace, automotive, clean energy, life science, and other transformational industries in Nebraska by means of the department providing grants to or partnering with political subdivisions, including inland port authorities under the Municipal Inland Port Authority Act, or nonprofit economic development corporations and entering into contracts for consulting, engineering, and development studies to identify, evaluate, and develop large commercial and industrial sites in Nebraska; and -

(m) Grants to political subdivisions and nationally and state accredited golf associations to construct golf facilities and related infrastructure. Such facilities shall be located within the boundaries of a city of the metropolitan class.

(2) The Department of Economic Development shall use the subaccount of the Site and Building Development Fund described in subsection (2) of section 81-12,146 to provide financial assistance to any inland port authority created under the Municipal Inland Port Authority Act to help finance large shovel-ready commercial and industrial sites developed under such act.

Sec. 15. Section 81-12,148, Reissue Revised Statutes of Nebraska, is amended to read:

81-12,148 (1) Governmental subdivisions and Nebraska nonprofit organizations are eligible to receive assistance under the Site and Building Development Act. Any entity receiving assistance under subsection (1) of section 81-12,147 shall provide, or cause to be provided, matching funds for the eligible activity in an amount determined by the Department of Economic Development, which amount shall be at least equal to one hundred percent of the amount of assistance provided by the Site and Building Development Fund. Nothing in the act shall be construed to allow individuals or businesses to receive direct loans from the fund.

(2) An applicant for a grant for development of a public-private-partnership facility under subdivision (1)(h) of section 81-12,147 shall provide the Director of Economic Development with a letter of support from the United States Strategic Command prior to approval of the application and with proof of the availability of twenty million dollars in private or other funds for the facility. No funds shall be expended or grants awarded until receipt of proof of the availability of twenty million dollars in private or other funds for the facility and certification is provided by the Director of Economic Development to the budget administrator of the budget division of the Department of Administrative Services.

(3) An applicant for a grant for development under subdivision (1)(k) of section 81-12,147 is not required to meet the matching fund requirements pursuant to this section but shall provide the Director of Economic Development a letter from the United States Department of Defense or contractor providing upgrades to ground-based nuclear deterrence that infrastructure improvements, including the construction of electrical, drinking water, and clean water infrastructure, will not be included in the scope of the project. No grants shall be awarded or funds expended until such letter is received.

(4)(a) An applicant for a grant for construction of a golf facility under subdivision (1)(m) of section 81-12,147 shall, prior to approval of the application, provide the Director of Economic Development with:

- (i) Documentation demonstrating the facility's programming for veterans;
- (ii) Documentation demonstrating the facility's programming for youth;
- (iii) A letter of support from a nationally accredited golf association;
- (iv) A letter of support from a state accredited golf association;
- (v) A letter of support from the mayor of the city of the metropolitan class where the facility will be located; and
- (vi) Proof of funding for at least eighty percent of the total costs of the construction.

(b) A grant issued under this subsection shall not exceed twenty percent of the total costs of the construction.

(5) ~~(4)~~ This section does not apply to any inland port authority receiving assistance under subsection (2) of section 81-12,147.

Sec. 16. Sections 16 to 25 of this act shall be known and may be cited as the Nebraska Protection of Seniors from Insurance Exploitation Act.

Sec. 17. (1) It is the intent of the Legislature to provide legal protection to insurers and insurance producers so that they have the discretion to take action to assist in detecting and preventing financial exploitation.

(2) The Legislature recognizes that insurers and insurance producers are in a unique position to potentially discover financial exploitation when conducting transactions on behalf of and at the request of their customers.

(3) The Legislature recognizes that insurers and insurance producers have duties imposed by contract and duties imposed by both federal and state law to conduct transactions requested by their customers faithfully and timely in

accordance with the customer's instructions.

(4) The Legislature recognizes that insurers and insurance producers do not have a duty to contravene the valid instructions of their customers and nothing in the Nebraska Protection of Seniors from Insurance Exploitation Act creates such a duty.

Sec. 18. For purposes of the Nebraska Protection of Seniors from Insurance Exploitation Act, unless the context otherwise requires:

(1) Director means the Director of Insurance;

(2) Disbursement means any attempt to withdraw money or access a benefit from a life insurance policy or an annuity irrespective of whether the request is classified as a surrender, loan, withdrawal, partial withdrawal, accelerated benefit, or otherwise;

(3) Eligible adult means:

(a) A senior adult as defined in section 28-366.01; or

(b) A vulnerable adult as defined in section 28-371;

(4) Financial exploitation means:

(a) The wrongful or unauthorized taking, withholding, appropriation, or use of money, assets, or other property of an eligible adult by any person; or

(b) Any act or omission taken by a person, including through the use of a power of attorney, guardianship, or conservatorship of an eligible adult, to:

(i) Obtain control, through deception, intimidation, or undue influence, over the eligible adult's money, assets, or other property to deprive the eligible adult of the ownership, use, benefit, or possession of his or her money, assets, or other property; or

(ii) Convert money, assets, or other property of the eligible adult to deprive such eligible adult of the ownership, use, benefit, or possession of his or her money, assets, or other property;

(5) Insurer means any insurance company as defined in section 44-103 regulated under laws administered by the Director of Insurance;

(6) Permissible third party means any individual previously designated by the eligible adult who may be contacted about the eligible adult's insurance policy, contract, or account, or a person otherwise permitted to be contacted by any state or federal law, rule, or regulation; and

(7) Trained individual means any of the following:

(a) An insurance producer who has taken at least two hours of continuing education focused on how to identify the suspected or attempted financial exploitation of an eligible adult, which included identifying common signs indicating the financial exploitation of an eligible adult and how to provide notification regarding the suspected or attempted financial exploitation of an eligible adult; or

(b) A person who has received training pursuant to section 23 of this act.

Sec. 19. An insurer or trained individual who, acting reasonably and in good faith, makes a disclosure of information to the director pursuant to the Nebraska Protection of Seniors from Insurance Exploitation Act or the Insurance Fraud Act shall be immune from administrative or civil liability that might otherwise arise from such disclosure or for any failure to notify the eligible adult of the disclosure. This section shall not abrogate or modify any existing statutory or common law privileges or immunities.

Sec. 20. (1) If an insurer or trained individual reasonably believes financial exploitation of an eligible adult may have occurred, has been attempted, or is being attempted, the insurer or trained individual may notify a permissible third party. Notification to a permissible third party is not required prior to any insurer's, trained individual's, director's, or relevant agency's review or investigation of financial exploitation.

(2) Insurers and trained individuals shall not notify a permissible third party if the insurer or trained individual reasonably suspects that such permissible third party has financially exploited or otherwise abused the eligible adult.

(3) An insurer or trained individual who, acting reasonably and in good faith, complies with this section shall be immune from any administrative or civil liability that might otherwise arise from such notification.

Sec. 21. (1) If an insurer or trained individual reasonably believes a disbursement or transaction will likely result in or contribute to the financial exploitation of an eligible adult, the insurer or trained individual may initiate an internal review of the requested disbursement or transaction.

(2) An insurer may delay a disbursement or transaction from an eligible adult's insurance policy, contract, or account on which an eligible adult is a beneficiary if all of the following apply:

(a) The insurer reasonably believes, after an internal review is initiated pursuant to subsection (1) of this section, that the requested disbursement or transaction will likely result in or contribute to the financial exploitation of an eligible adult;

(b) Immediately, but in no event more than seven business days after the disbursement or transaction is delayed, the insurer provides written notification of the delay and the reason for the delay to all persons authorized to transact business on the insurance policy, contract, or account. An insurer shall not notify a person authorized to transact business on the insurance policy, contract, or account if the insurer reasonably believes such person has committed or attempted financial exploitation or other abuse of an eligible adult or committed or attempted insurance fraud;

(c) Within seven business days after the disbursement or transaction is delayed, the insurer notifies the director of the delay and provides to the director the reason for the delay, including the status of the internal review

initiated pursuant to subsection (1) of this section; and

(d) The insurer continues the internal review of the suspected or attempted financial exploitation of the eligible adult, as necessary, and provides the director with updates of such review upon request.

(3) Any delay of a disbursement or transaction authorized by this section shall expire upon the first to occur of any of the following:

(a) A final determination by the insurer that the disbursement or transaction will not result in or contribute to financial exploitation of the eligible adult;

(b) Fifteen business days after the date on which the insurer first delayed the disbursement or transaction, unless extended pursuant to subdivision (3)(c) or (3)(d) of this section;

(c) If the internal review initiated pursuant to subsection (1) of this section continues to support the insurer's reasonable belief that the disbursement or transaction will likely result in or contribute to the financial exploitation of an eligible adult, twenty-five business days after the date on which the insurer first delayed the disbursement or the transaction, unless extended pursuant to subdivision (3)(d) of this section; or

(d) If the internal review initiated pursuant to subsection (1) of this section continues to support the insurer's reasonable belief that the disbursement or transaction will likely result in or contribute to the financial exploitation of an eligible adult, fifty-five business days after the date on which the insurer first delayed the disbursement or transaction.

(4) Notwithstanding subsection (3) of this section, upon the petition of the director, an insurer who initiated a delay of disbursement or transaction pursuant to this section, or another interested party, a court of competent jurisdiction may enter an order terminating, extending, or modifying the delay of the disbursement or transaction and may order other protective relief.

Sec. 22. (1) An insurer or trained individual who, acting reasonably and in good faith, complies with section 21 of this act or the Insurance Fraud Act shall be immune from any administrative or civil liability that might otherwise arise from such delay in a disbursement or transaction or any other actions or omissions related to the administration of the Nebraska Protection of Seniors from Insurance Exploitation Act. An insurer or trained individual shall be immune from administrative or civil liability for not choosing to implement a program to comply with section 21 of this act. An insurer or trained individual shall not be liable for the actions of a permissible third party.

(2) An insurer or trained individual shall be immune from any civil, criminal, or administrative liability for declining to interact with a permissible third party if the insurer or trained individual reasonably believes that:

(a) The permissible third party is, may be, or may have been engaged in the financial exploitation of the eligible adult; or

(b) Such interaction is not in the best interests of the eligible adult.

(3) A permissible third party who acts in good faith and exercises reasonable care in providing information to the insurer or trained individual, or in assisting the insurer, trained individual, or law enforcement in an investigation of suspected financial exploitation, shall be immune from any administrative, civil, or criminal liability that might otherwise arise from such actions.

Sec. 23. (1) Except for insurance producers described in subdivision (7) (a) of section 18 of this act, an insurer shall provide training to all supervisors and employees of such insurer appropriate to the job responsibilities of supervisors and employees handling or advising on complaints, possible fraud, and investigations. Such training shall be completed by the later of April 15, 2027, or one year after the date any supervisor or employee begins employment with or becomes affiliated or associated with the insurer. The training shall include all of the following:

(a) Instruction on how to identify the suspected or attempted exploitation of an eligible adult, including identifying common signs indicating the financial exploitation of an eligible adult, and how to provide notification regarding the suspected or attempted exploitation of an eligible adult; and

(b) Instruction regarding privacy and confidentiality requirements.

(2) An insurer shall provide the training required by this section as soon as reasonably practicable.

(3) Notwithstanding subsections (1) and (2) of this section, an insurer shall be deemed to be in compliance with this section if such insurer provides antifraud training to all supervisors and employees of such insurer pursuant to the laws or regulations of this state or another state and if such training includes instruction substantially similar to the instruction described in subdivisions (1)(a) and (b) of this section.

Sec. 24. (1) An insurer shall provide access to or copies of records that are relevant to the suspected or attempted financial exploitation of an eligible adult to the director and to law enforcement, either as part of a referral to the director or law enforcement, or upon the request of the director or law enforcement pursuant to an investigation. The records may include historical records as well as records relating to the most recent transactions and disbursement requests from the insurance policy, contract, or account that may comprise financial exploitation of an eligible adult.

(2) All records made available to the director or law enforcement or any other person pursuant to this section, including the National Association of Insurance Commissioners and its affiliates and subsidiaries, in the course of an investigation conducted under the Nebraska Protection of Seniors from

Insurance Exploitation Act, shall be confidential, shall not be subject to subpoena, shall not be made public by the director or any other person, and shall not be public records subject to disclosure pursuant to sections 84-712 to 84-712.09. Such workpapers, recorded information, documents, and copies may be provided to other state, federal, foreign, and international regulatory and law enforcement agencies and the National Association of Insurance Commissioners and its affiliates and subsidiaries if the recipient agrees in writing to maintain the confidentiality of such workpapers, recorded information, documents, and copies.

Sec. 25. The director may adopt and promulgate rules and regulations to carry out the Nebraska Protection of Seniors from Insurance Exploitation Act, including, but not limited to, rules and regulations related to:

(1) The form and manner of the notifications under section 21 of this act;
and

(2) The specific content and methods of the training required under section 23 of this act.

Sec. 26. Beginning January 1, 2027, a health insurance plan, its contractors, and its affiliates shall not restrict the method of claim payment to a health care provider for health care services to a credit, charge, or debit card, or any combination thereof.

Sec. 27. Original sections 44-150, 44-4055, 44-4059, 44-4064, 44-6122, 81-6,123, 81-6,125, 81-6,127, 81-6,128, 81-12,147, and 81-12,148, Reissue Revised Statutes of Nebraska, sections 44-116 and 44-4605, Revised Statutes Cumulative Supplement, 2024, and section 44-1523, Revised Statutes Supplement, 2025, are repealed.