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LB 1035

SENATOR JENSEN: Yes, thank you, Mr. Speaker, members of the body. Senator Landis has some pressing business to attend to this morning and so I will bring you the Landis amendment, AM4069, and ask that the bill be...or that it be returned for this amendment. It is a technical amendment and it is in your Journal on page 1318 and is intended only as a cleanup and technical changes. The amendments are offered at the request of the Department of Insurance. The amendments are necessary and their adoption will eliminate the necessity of introducing a bill to accomplish this purchase (sic) in...this purpose in 1999. Part of LB 1035, as introduced on behalf of Department of Insurance, would update Nebraska's version of the Model Credit for Reinsurance Act as prepared by the National Association of Insurance Commissioners. The credit for reinsurance statutes provide that when a domestic insurance company completes its annual statement, credit for reinsurance may be allowed as either an asset or a deduction from liability on account of reinsurance ceded to a reinsurer only if the reinsurer meets the requirements of these statutes. The NAIC has updated its model statutes on this subject to impose tighter restrictions for reinsurers in order to provide greater security for domestic insurance companies which cede risk to reinsurers. LB 1035 was introduced at the request of the Department of Insurance. The department has discovered that the language it originally proposed in LB 1035 does not accurately conform to our credit for reinsurance statutes of the NAIC model Credit for Reinsurance Act. Our insurance director, Tim Hall, how should I say this, I think goofed but anyway this will correct that situation and I would ask that the bill be returned for the addition of this amendment. Thank you.

SPEAKER KRISTENSEN: Senator Chambers on the motion to return.

SENATOR CHAMBERS: Mr. Speaker and members of the Legislature, I'd like to ask Senator Jensen a question.

SPEAKER KRISTENSEN: Senator Jensen.

SENATOR JENSEN: Yes, Senator Chambers.

SENATOR CHAMBERS: Did you...you said Senator Landis had some