

**ONE HUNDRED EIGHTH LEGISLATURE - SECOND SESSION - 2024**  
**COMMITTEE STATEMENT**  
**LB1313**

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**Hearing Date:** Tuesday February 13, 2024  
**Committee On:** Agriculture  
**Introducer:** Dover  
**One Liner:** Provide for regulation of health benefit plans for nonprofit agricultural organizations

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**Roll Call Vote - Final Committee Action:**  
Advanced to General File

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**Vote Results:**

<b>Aye:</b>	7	Senators Brewer, Halloran, Hansen, Holdcroft, Hughes, Ibach, Riepe
<b>Nay:</b>		
<b>Absent:</b>	1	Senator Raybould
<b>Present Not Voting:</b>		

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**Testimony:**

**Proponents:**

Senator Robert Dover  
Mark Mchargue  
Dawn Kucera  
Erin Petersile  
Ben Sanders

**Representing:**

Opening Presenter  
Nebraska Farm Bureau  
Nebraska Farm Bureau  
Kansas Farm Bureau  
Nebraska Farm Bureau

**Opponents:**

**Representing:**

**Neutral:**

Eric Dunning

**Representing:**

Nebraska Department of Insurance

\* ADA Accommodation Written Testimony

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**Summary of purpose and/or changes:**

LB 1313 would declare a health benefit plan offered by a qualifying nonprofit agricultural organization is not insurance subject to regulation under insurance laws of the state.

Section-by-section summary:

Sec 1: Inserts a wholly new statutory section that exempts health benefit plans from insurance regulation provided the plan meets certain criteria:

- The plan is self-funded and administered by a licensed third-party administrator
- The plan is sponsored by a nonprofit agricultural organization meeting a number of requirements described in subsection (1) regarding its corporate purpose, duration of existence, membership and membership participation.



Subsection (2) requires an organization offering a health benefit plan to apply for certification by the Department of Insurance that the plan qualifies for the exemption from insurance regulation granted under this section. The process of application and certification is to be set by the Dept. of Insurance.

Subsection (3) authorizes risks assumed under a health benefit plan to be reinsured by an authorized insurance company

Subsection (4) requires applications and contracts for health benefit plans to prominently disclose that the plan is not insurance, is not provided by an insurance company, and is not regulated under the state's insurance laws.

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Steve Halloran, Chairperson

