

LEGISLATIVE BILL 919

Approved by the Governor March 23, 1974

Introduced by Savage, 10

AN ACT to amend sections 44-214 and 44-219, Reissue Revised Statutes of Nebraska, 1943, relating to insurance; to require an increase in capital stock and minimum surplus as prescribed; and to repeal the original sections.

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

Section 1. That section 44-214, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

44-214. No stock insurance company shall hereafter transact any kind of insurance specified in section 44-201 in this state unless it maintains a capital stock, actually paid in cash or invested as provided by law, of at least five hundred thousand dollars, ~~and no nor shall it hereafter transact the kind of insurance specified in subdivision (2) of section 44-201 and in addition thereto one or more kinds of insurance other than those specified in subdivisions (3) and (9) thereof in this state unless it maintains a capital stock, actually paid in cash or invested as provided by law, of at least one million dollars.~~ No stock insurance company shall hereafter begin to transact any kind of insurance as specified in section 44-201 unless it has a surplus of at least ~~an additional~~ five hundred thousand dollars, ~~nor shall it hereafter begin to transact the kind of insurance specified in subdivision (2) of section 44-201 and in addition thereto one or more kinds of insurance other than those specified in subdivisions (3) and (9) thereof in this state unless it has a surplus of at least one million dollars.~~

Sec. 2. That section 44-219, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

44-219. No domestic mutual insurance company shall begin to transact the business of insurance until (1) it has received not less than one hundred applications for insurance unless organized to write (a) workmen's compensation and employer's liability insurance, in which case it shall receive applications from at least twenty employers covering in the aggregate five hundred employees, or (b) the class of insurance

specified in subdivision (4) of section 44-201, in which case no application shall be required; and in addition thereto (2) it shall have received in cash one annual premium for each application for insurance. No mutual insurance company shall hereafter transact any kind of insurance as specified in section 44-201 in this state unless it has and maintains a minimum surplus, in cash or invested as provided by law, of at least five hundred thousand dollars, nor shall it hereafter transact the kind of insurance specified in subdivision (2) of section 44-201 and in addition thereto one or more kinds of insurance other than those specified in subdivisions (3) and (9) thereof in this state unless it has and maintains a minimum surplus, in cash or invested as provided by law, of at least one million dollars.

Sec. 3. That original sections 44-214 and 44-219, Reissue Revised Statutes of Nebraska, 1943, are repealed.