

April 20, 1979

LB 312

SENATOR MURPHY: I would like to challenge the ruling of the Chair.

SENATOR NICHOL PRESIDING:

SENATOR NICHOL : Okay, Senator Hefner is on then.

SENATOR MURPHY: Mr. Chairman, I would like to maybe correct a little bit the record just so that it is correct and I am sure that Senator DeCamp will concur, after I call it to his attention, he made the statement that this procedure is outlawed in Nebraska and it is not per se "outlawed". The Attorney General has held that this kind of a program is in fact an insurance program and that in order to conduct it in Nebraska they would have to license themselves and operate as an insurance company which some insurance companies currently do. But this was to avoid the necessity of the setting up and capitalizing an insurance company in order to offer this procedure but the state in no way outlines it it just simply requires that if they are going to do it they must form an insurance agency. Would you concur, Senator DeCamp?

SENATOR DE CAMP: Okay, if I didn't make that clear I apologize I thought that I did. I said that there are some outfits that are selling it as insurance, like Great Plains, was one of them that I think I mentioned. I think that there is another one that sells homeowners that went through the process of setting up a separate insurance company. We do it different, I think, and you correct me. We do it different than the other 49 states on this particular thing, is that right?

SENATOR MURPHY: Yes.

SENATOR DE CAMP: So, you would have to go through a completely different process through an insurance company or setting up an insurance company, if you want to offer, rather than the way it is done in all of the other states because of our statutory definition of insurance which supposedly is the broadest definition in the United States. As I say, I recommend that we advance the bill and I'm not going to push it at all until I get one heck of a lot more information from auto dealers and others. I thought that everything was settled and now it is in confusion. The only reason I recommend that we advance it is because if they really do think it is as necessary as they told us in the beginning, particularly the Insurance Department and others, then I think that it should be far enough along that if there are problems they can still be resolved rather than starting from point one again.

SPEAKER MARVEL PRESIDING

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