

clause.

PRESIDENT: That is a separate amendment?

SENATOR HABERMAN: That is part of the bill. Section 3 adds the emergency clause.

PRESIDENT: Okay, but that was in the bill, isn't it.

SENATOR HABERMAN: That is in the bill, yes.

PRESIDENT: Very well, Senator. The motion is to advance LB 165. If there is no discussion, the motion is...please vote aye or nay. Motion is to advanced LB 165. Please record your vote. Record the vote, Mr. Clerk.

CLERK: 25 ayes, 0 nays, Mr. President, on the motion to advance LB 165.

PRESIDENT: LB 165 is advanced. LB 299.

CLERK: Mr. President, LB 299 was a bill offered by Senator DeCamp, offered by the Banking Committee. (Read title.) It was first read on January 17, referred to the Banking Committee and advanced to General File, no amendments to the bill at this time, Mr. President.

PRESIDENT: For this the Chair recognizes Senator Haberman.

SENATOR HABERMAN: Mr. President, members of the body, this bill was brought to the Banking Committee by the Insurance Department. Our statutes currently provide that insurance companies may take credit on their annual financial statements for reinsurance in reputable, solvent companies. This is a vague standard. The bill provides clearer criteria for allowing companies to take credit for their reinsurance. The use of reinsurance is necessary and widespread in the insurance industry. It is important that the Department of Insurance has specific guidelines and standards concerning this reinsurance. They don't have them now. The bill does give it to them. LB 299 also does one other thing. It proposes to lengthen the time period...the statutory requirement financial examinations of domestic insurance companies. In other words, currently the Department of Insurance is charged with examining every domestic insurance company at least once every three years.