

February 19, 1992 LB 1006

SENATOR WESELY: That this Legislature, with financial support we've given the department and with the passage of these elements of this legislation, will have done all that we can from our part to get us qualified for accreditation.

SENATOR LANDIS: Let me answer in this way. If we have a deficiency, I do not know of it.

SENATOR WESELY: Okay, I think that's...that's important because our state has long been recognized as one of the best in regulation of insurance companies, yet we have had a little difficulty being one of the first to be accredited under this system and I don't think the problem has come from our end, the legislative end. It has been a problem over in the insurance department trying to work through some of the process problems that perhaps they have had over there. But I'm really excited about the chance that in the very near future our department and our state will become accredited and join the other states in upgrading and improving the regulation of the insurance industry. So I very much support this legislation and the work that we have done in this area.

PRESIDENT MOUL: Thank you, Senator Wesely. Does anyone else wish to speak to this bill? Seeing none, do you have closing, Senator Landis?

SENATOR LANDIS: Let me just close by saying that one of the reasons we're not now accredited is because the NAIC does not have a very big staff and they have been called upon to review a number of states. The soonest that we could get an audit of our readiness for accreditation is in November. These five major areas that have changed are, as I say, NAIC models or federal mandates. They all arise from difficulties that have occurred either in Nebraska or in other parts of the country and they are attempts to put us in the position to regulate a very significant financial community, one that if we can avoid having the kinds of problems that have been visited upon the heads of other financial communities, such as banks and savings and loans, we should make every effort to so avert that kind of downfall and this helps us in trying to avert those kinds of impacts. It puts us in a good position to regulate and to do our job. I urge the advancement of the bill.

PRESIDENT MOUL: Thank you, Senator Landis. We will now vote on the motion to advance LB 1006. All those in favor please