



**Hundredth Legislature - First Session - 2007**  
**Committee Statement**  
**LB 120**

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**Hearing Date:** January 22, 2007

**Committee On:** Banking, Commerce and Insurance

**Introducer(s):** (Banking, Commerce and Insurance)

**Title:** Rename and change the applicability of the Nebraska Senior Protection in Annuity Transactions Act

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**Roll Call Vote – Final Committee Action:**

- Advanced to General File
  - X Advanced to General File with Amendments
  - Indefinitely Postponed
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**Vote Results:**

8	Yes	Senators Pahls, Langemeier, Carlson, Christensen, Gay, Hansen, Pankonin, Pirsch
	No	
	Present, not voting	
	Absent	

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**Proponents:**

Senator Rich Pahls  
Tim Wagner  
Jim Hall  
Terry Headley  
  
Jan McKenzie

**Representing:**

Introducer  
NE Department of Insurance  
American Council of Life Insurers  
National Association of Insurance and Financial Advisors-NE  
NE Insurance Federation

**Opponents:**

**Representing:**

**Neutral:**

**Representing:**

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

LB 120 (Banking, Commerce and Insurance Committee), introduced at the request of the Director of Insurance, would amend sections 44-8101 to 44-8107 of the Nebraska Senior Protection in Annuity Transactions Act by repealing every reference to “senior” in those sections so that the act’s protections would apply to all consumers entering annuity transactions and not just those age 65 or older.

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The act states its purpose as setting forth standards and procedures for recommendations made by insurance producers and insurers to consumers (currently only if age 65 or older) regarding annuity transactions so that their insurance needs and financial objectives at the time of the transaction are appropriately addressed.

**Explanation of amendments, if any:**

The committee amendments (AM47) would amend section 44-8106 of the Nebraska Senior Protection in Annuity Transactions Act (section 6 of the bill) to repeal provisions that are not in the National Association of Insurance Commissioners model on which the Nebraska act is based. This section currently provides that before the execution of a purchase or an exchange of an annuity resulting from a recommendation, an insurance producer, or an insurer if an insurance producer is not involved, shall make reasonable efforts to obtain information concerning, among other things: (1) The senior consumer's financial status “, including investments held by the senior consumer;” and (2) “Other insurance products owned by the senior consumer”. The committee amendments would repeal the above-quoted provisions.

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**Senator Rich Pahls, Chairperson**