



One Hundred First Legislature - Second Session - 2010
Introducer's Statement of Intent
LB 912

Chairperson: Rich Pahls
Committee: Banking, Commerce and Insurance
Date of Hearing: February 1, 2010

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 912 is a bill introduced at the request of the Nebraska Department of Insurance and would do the following:

The bill would amend the Uninsured and Underinsured Motorist Insurance Coverage Act to prohibit policies subject to the act from providing coverage on a "step down limits basis", under which different limits of coverage are provided to other persons occupying the vehicle with the permission of the insured. The bill would require that the uninsured and underinsured motorist coverage limits must be provided by the insurer on the same basis for all persons occupying the insured motor vehicle with the express or implied permission of an insured, and would specify that this would not limit application of a per person or per accident limitation in the policy to a covered occupant. (Section 44-6413) (Section 1 of the bill).

The bill would adopt a new section of the Property and Casualty Insurance Rate and Form Act to prohibit motor vehicle liability policies from providing coverage on a "step down limits basis", under which different limits of coverage are provided for insureds, or members of the insured's household, than for all other persons insured under such coverage. The bill would require that liability limits of a motor vehicle liability insurance policy provide liability insurance protection on the same basis for all persons insured under such coverage. The bill would specify that this would not limit application of a per person or per accident limitation in the policy to a covered occupant. (Section 44-7501) (Sections 2 and 3 of the bill).

The bill carries the emergency clause.

Principal Introducer:

Senator Rich Pahls