

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB59

Hearing Date: Tuesday February 19, 2013
Committee On: Banking, Commerce and Insurance
Introducer: Larson
One Liner: Change a presumption relating to rebates to insurance agents

Roll Call Vote - Final Committee Action:
Advanced to General File with amendment(s)

Vote Results:

Aye: 8 Senators Campbell, Carlson, Christensen, Crawford, Gloor, Howard,
Pirsch, Schumacher

Nay:

Absent:

Present Not Voting:

Proponents:

Senator Tyson Larson
James Cavanaugh

Representing:

Introducer
Independent Insurance Agents of NE

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

LB59 (Larson, Carlson) would amend section 44-361.01 of the insurance statutes which currently provides that an agent, whose commissions and underwriting fees on business written upon the property, life, health, or liability of himself, his relatives, and his employer or employees exceed ten percent of the agent's total commissions and underwriting fees in a year, shall be presumed to have obtained or renewed a license primarily to circumvent the enforcement of the anti-rebating provisions of section 44-361. Section 44-361.01 further provides that an agent, whose commissions and underwriting fees on such business exceed thirty percent of the agent's total commissions and underwriting fees in a year, shall be conclusively presumed to have obtained or renewed a license primarily to circumvent the enforcement of the anti-rebating provisions of section 44-361.

This bill would amend section 44-361.01 by increasing the percentages of an agent's total commissions and underwriting fees in a year that would trigger the presumptions described above, from ten percent to thirty percent and from thirty percent to fifty percent, respectively.

The bill would also insert feminine pronouns where needed. Section 44-361.01 was enacted in 1955 and has never been amended since that time.

Explanation of amendments:

The committee amendments would reduce the scope of the bill by providing that the increased percentages of an agent's total commissions and underwriting fees in a year that would trigger the presumptions would apply only to agents soliciting crop insurance.

Mike Gloor, Chairperson