

LEGISLATURE OF NEBRASKA
ONE HUNDRED THIRD LEGISLATURE
SECOND SESSION
LEGISLATIVE BILL 799

Introduced by Carlson, 38.

Read first time January 10, 2014

Committee: Banking, Commerce and Insurance

A BILL

- 1 FOR AN ACT relating to insurance; to amend section 44-322, Reissue
- 2 Revised Statutes of Nebraska; to change a filing
- 3 requirement; and to repeal the original section.
- 4 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 44-322, Reissue Revised Statutes of
2 Nebraska, is amended to read:

3 44-322 (1)(a)(i) Every insurance company holding a
4 certificate of authority to transact the business of insurance in
5 this state shall file with the director or, if required by the
6 director, with the National Association of Insurance Commissioners,
7 on or before March 1 of each year, an annual financial statement for
8 the year ending December 31 immediately preceding on forms prescribed
9 by the director which conform substantially to the forms adopted by
10 the National Association of Insurance Commissioners, except that
11 fees, premium tax payments, and other payments associated with such
12 filings shall be paid to the director.

13 (ii) The financial statement shall be prepared in
14 accordance with annual statement instructions and accounting
15 practices and procedures manuals as prescribed by the director which
16 conform substantially to the annual statement instructions and the
17 Accounting Practices and Procedures Manuals adopted by the National
18 Association of Insurance Commissioners.

19 ~~(iii) The salaries and compensation of the officers and~~
20 ~~any other information required by the director shall be filed with~~
21 ~~the director.~~

22 ~~(iv)~~(iii) Every insurance company subject to this
23 section shall make such other periodic financial filings as the
24 director may reasonably require.

25 (b)(i) Within seven days after the failure of an

1 insurance company to comply with the requirements of subdivision (1)
2 (a) of this section, the director shall notify the insurance company
3 of such failure.

4 (ii) Subject to subdivision (1)(b)(iii) of this section,
5 if an insurance company fails to comply with the requirements of
6 subdivision (1)(a) of this section and any rules and regulations
7 adopted and promulgated under such subdivision and any orders issued
8 under such subdivision, (A) such insurance company shall ~~forfeit~~be
9 fined one hundred dollars for each day thereafter such failure
10 continues and the insurance company continues to transact any
11 business of insurance and (B) in addition to the ~~forfeiture~~fine
12 required under subdivision (1)(b)(ii)(A) of this section, the
13 director may suspend or refuse to renew the certificate of authority
14 of the insurance company until it has complied with the requirements
15 of subdivision (1)(a) of this section and any rules and regulations
16 adopted and promulgated under such subdivision and any orders issued
17 under such subdivision. ~~All such forfeitures collected by the~~
18 ~~director shall be remitted to the State Treasurer for credit to the~~
19 ~~permanent school fund. The director shall remit any fines collected~~
20 under this section to the State Treasurer for distribution in
21 accordance with Article VII, section 5, of the Constitution of
22 Nebraska.

23 (iii) For good and sufficient cause shown, the director
24 may grant a reasonable extension of time not to exceed thirty days
25 within which the financial statement may be filed as required under

1 subdivision (1)(a) of this section without the ~~forfeiture~~fine
2 required under subdivision (1)(b)(ii)(A) of this section and without
3 any suspension or refusal to renew authorized under subdivision (1)
4 (b)(ii)(B) of this section.

5 (2) Every insurance company holding a certificate of
6 authority to transact the business of insurance in this state shall
7 participate in the National Association of Insurance Commissioners
8 Insurance Regulatory Information System, including the payment of all
9 fees and charges of such system, except as exempted by the director.
10 Each participating insurance company shall file with the National
11 Association of Insurance Commissioners on or before March 1 of each
12 year a copy of its annual financial statement along with any
13 additional filings required by the director for the immediately
14 preceding year. The financial statement so filed shall be in the same
15 format and scope as that required by subsection (1) of this section
16 and shall include a signed jurat page and actuarial certification
17 except as exempted by the director. Each participating insurance
18 company shall file with the National Association of Insurance
19 Commissioners any amendments and addendums to the financial statement
20 and annual and quarterly financial statement information in computer
21 readable format as required by the Insurance Regulatory Information
22 System.

23 Sec. 2. Original section 44-322, Reissue Revised Statutes
24 of Nebraska, is repealed.