

LEGISLATURE OF NEBRASKA
ONE HUNDRED FOURTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 234

Introduced by Krist, 10.

Read first time January 13, 2015

Committee: Banking, Commerce and Insurance

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

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

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

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

18 (iii) The salaries and compensation of the officers and any other
19 information required by the director shall be filed with the director.
20 All information regarding salaries and compensation filed pursuant to
21 this subdivision shall be maintained as confidential by the director and
22 shall not be subject to disclosure by the director to persons outside of
23 the Department of Insurance except as agreed to by the insurance company
24 or as ordered by a court of competent jurisdiction.

25 (iv) Every insurance company subject to this section shall make such
26 other periodic financial filings as the director may reasonably require.

27 (b)(i) Within seven days after the failure of an insurance company
28 to comply with the requirements of subdivision (1)(a) of this section,
29 the director shall notify the insurance company of such failure.

30 (ii) Subject to subdivision (1)(b)(iii) of this section, if an
31 insurance company fails to comply with the requirements of subdivision

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

16 (iii) For good and sufficient cause shown, the director may grant a
17 reasonable extension of time not to exceed thirty days within which the
18 financial statement may be filed as required under subdivision (1)(a) of
19 this section without the forfeiture required under subdivision (1)(b)(ii)
20 (A) of this section and without any suspension or refusal to renew
21 authorized under subdivision (1)(b)(ii)(B) of this section.

22 (2) Every insurance company holding a certificate of authority to
23 transact the business of insurance in this state shall participate in the
24 National Association of Insurance Commissioners Insurance Regulatory
25 Information System, including the payment of all fees and charges of such
26 system, except as exempted by the director. Each participating insurance
27 company shall file with the National Association of Insurance
28 Commissioners on or before March 1 of each year a copy of its annual
29 financial statement along with any additional filings required by the
30 director for the immediately preceding year. The financial statement so
31 filed shall be in the same format and scope as that required by

1 subsection (1) of this section and shall include a signed jurat page and
2 actuarial certification except as exempted by the director. Each
3 participating insurance company shall file with the National Association
4 of Insurance Commissioners any amendments and addendums to the financial
5 statement and annual and quarterly financial statement information in
6 computer readable format as required by the Insurance Regulatory
7 Information System.

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