

ONE HUNDRED FIFTH LEGISLATURE - FIRST SESSION - 2017
COMMITTEE STATEMENT
LB406

Hearing Date: Monday February 06, 2017
Committee On: Banking, Commerce and Insurance
Introducer: Kolterman
One Liner: Change provisions relating to notice of cancellation, nonrenewal, or nonpayment of a premium for automobile liability policies

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

Vote Results:

Aye: 8 Senators Baker, Brewer, Craighead, Kolterman, Lindstrom, McCollister, Schumacher, Williams
Nay:
Absent:
Present Not Voting:

Verbal Testimony:

Proponents:

Senator Jim Scheer
Kelly Campbell
Korby Gilbertson
Tad Fraizer

Representing:

Introducer for Senator Mark Kolterman
Property Casualty Insurers Association
Property Casualty Insurers Association
American Insurance Association

Opponents:

Representing:

Neutral:

Representing:

Summary of purpose and/or changes:

This bill would amend section 44-516 regarding notice of cancellation of an automobile liability policy, section 44-522 regarding notice of cancellation or nonrenewal of a policy of property, marine, or liability insurance, and section 44-523 regarding notice of cancellation of a policy of automobile liability insurance for reasons other than nonpayment of premium or initiated by a premium finance company.

The bill would provide, in the cases of sections 44-516 and 44-523, that these notices, in addition to being mailed by registered or certified mail, may be mailed by first-class mail using intelligent mail barcode or another similar tracking method used or approved by the United States Postal Service. The bill would provide, in the case of section 44-522, that these notices instead of being mailed by registered, certified, or first-class mail, may be mailed by registered mail, certified mail, or first-class mail using intelligent mail barcode or another similar tracking method used or approved by the United States Postal Service.

Explanation of amendments:

The committee amendments would correct the bill's proposed changes in section 44-522 (section 2 of the bill). Section 44-522 establishes requirements for cancellation and nonrenewal of property, marine, and liability insurance (but not automobile insurance). This section currently provides for notice of cancellation or nonrenewal by registered, certified,

or first-class mail. As introduced, the bill would change this to notice by registered mail, certified mail, or first-class mail using intelligent barcode or another similar tracking method used or approved by the United States Postal Service. The committee amendments, in keeping with the original intent of the bill, would provide in this section for the option of notice by first-class mail using intelligent barcode in addition to (but not in replacement of) the current option of notice by basic first-class mail. These two options would be in addition to the options of registered or certified mail.

Brett Lindstrom, Chairperson