

**One Hundred Sixth Legislature - Second Session - 2020**

**Introducer's Statement of Intent**

**LB1199**

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**Chairperson: Senator Matt Williams**

**Committee: Banking, Commerce and Insurance**

**Date of Hearing: February 11, 2020**

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

The current law governing vehicle service contracts in Nebraska is inconsistent with the substantial majority of the rest of the country and the NAIC Model Act with respect to the definition of a reimbursement insurance policy. This legislation would correct this by amending Nebraska law to authorize what is known as a default insurance policy in addition to what is known as a first dollar insurance policy, and also codifying the ability of a consumer to file a claim directly with an insurance company issuing a reimbursement insurance policy if the insured vehicle service contract obligor fails to pay a claim within sixty (60) days of the filing of a claim with the service contract obligor

**Principal Introducer:** \_\_\_\_\_

Senator Brett Lindstrom