

LEGISLATURE OF NEBRASKA
ONE HUNDRED SEVENTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 280

Introduced by Albrecht, 17.

Read first time January 12, 2021

Committee: Banking, Commerce and Insurance

- 1 A BILL FOR AN ACT relating to insurance; to amend section 44-211, Revised
- 2 Statutes Cumulative Supplement, 2020; to eliminate a state residency
- 3 requirement for the board of directors of an insurance company; and
- 4 to repeal the original section.
- 5 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 44-211, Revised Statutes Cumulative Supplement,
2 2020, is amended to read:

3 44-211 The business and affairs of an insurance corporation shall be
4 managed by the incorporators until the first meeting of shareholders or
5 members and then and thereafter by a board of directors elected by the
6 shareholders or members and as otherwise provided by law. The board of
7 directors shall consist of not less than five persons, ~~and one of them~~
8 ~~shall be a resident of the State of Nebraska.~~ At least one-fifth of the
9 directors of an insurance company, which is not subject to section
10 44-2135, shall be persons who are not officers or employees of such
11 company. A person convicted of a felony may not be a director, and all
12 directors shall be of good moral character and known professional,
13 administrative, or business ability, such business ability to include a
14 practical knowledge of insurance, finance, or investment. No person shall
15 hold the office of director unless he or she is a policyholder, if the
16 company is a mutual company or assessment association. Unless otherwise
17 provided in the articles of incorporation, the board of directors shall
18 make all bylaws. A director shall discharge his or her duties as a
19 director in accordance with section 21-2,102.

20 Sec. 2. Original section 44-211, Revised Statutes Cumulative
21 Supplement, 2020, is repealed.