



## **UNICAMERAL UPDATE**

**February 5, 2018**

**Bob Hoppe**, Legislative Committee Chairman \* **Vincent Christensen**, InsurPac/IIANPAC Chairman  
**Carol McClelland**, CEO \* **Jim Cavanaugh**, Legislative Representative

**FROM: James P. Cavanaugh**  
**RE: Nebraska 2018 Legislative Session, Week ending February 2, 2018**

### **WEEK IN REVIEW**

Friday was the 20<sup>th</sup> day of the 60-day 2018 Legislative Session. Last week the Legislature conducted half-day floor debate and continued half-day committee hearings. The 2018 session is 1/3<sup>rd</sup> over, and to date no bills have been passed. The Speaker has announced that bills will be heard on Final Reading this week.

Senators and committees have until February 20 to designate their priority legislation. Speaker Jim Scheer will announce his priority bills February 21. Full day debate will begin February 28, the same day that the forecasting board meets to revise state revenue projections.

### **2018 BILLS OF POTENTIAL INTEREST**

IIAN's Legislative committee met on January 22, and determined positions on bills of interest introduced this year. Refer to "IIAN 2018 Bills of Interest" below for information on bills and IIAN's position.

**On February 1, [LB 743](#) (IIAN Supports)** was advanced to Select File (second round of voting). IIAN leaders met with Insurance Department officials in November to provide input on the provisions of LB 743, which would adopt the Public Adjusters Licensing Act, eliminate the pre-licensing education requirement for insurance producers, and require course providers to file for re-approval of approved continuing education courses every four years. IIAN testified in support at the bill's hearing on January 16. The Banking, Commerce & Insurance Committee has designated priority status – it's headed for passage. [More detailed information.](#)

**IIAN also supports [LB 486](#)**, which was advanced to Select File on January 24. LB 486 would allow up to 6 CEUs (out of 24 every 2 years in Nebraska) for "active participation in a professional insurance association" - by attending a formal meeting of the association; active service on a board or committee; or participation in industry, regulatory, or legislative meetings.

**IIAN is monitoring LB 1012, which was** heard before the Banking, Commerce and Insurance Committee on January 30. The bill would exempt owners of self-storage units from having to qualify as a licensed producer in order to sell insurance on their customers' property while it is stored or in transit; instead it provides for a "limited license". IIAN worked with the Department of Insurance to amend the bill to include more stringent education requirements and consumer protections - Amendment 1691, offered by Senator Harr. Representatives of the Self

Storage Association testified in support at the hearing, Director of Insurance Bruce Ramge testified neutral.

Refer to the Nebraska Legislature home page <http://www.nebraskalegislature.gov>. for links to particular bills. You'll also find current committee assignment listings, and an updated list of senators and their contact information. The latest issue of the legislature's weekly Update can be found at: <http://update.legislature.ne.gov/>.

Please call or e-mail me at any time if you have any questions. My contact information is: James P. Cavanaugh - [Cavanaughlawfirm@aol.com](mailto:Cavanaughlawfirm@aol.com) - O: (402) 341-2020 C: (402) 301-9675

### **IIAN 2018 BILLS OF INTEREST**

**IIAN Position Key: Pro=Support, M=Monitor (Neutral)**

**Committee Assignment:** BCI=Banking, Commerce & Insurance  
Bus&Lab=Business & Labor, T&T= Transportation and Telecommunications

<b>LB726</b> Wayne	<b>M</b> BCI	Require insurance coverage for in vitro fertilization procedures
	1/3/2018	Bill introduced
	1/8/2018	Referred to Banking, Commerce and Insurance Cmte
	1/23/2018	<b>NOTICE OF HEARING FOR 2/5/2018</b>
<b>LB743</b> Lindstrom	<b>Pro</b> BCI	Adopt the Public Adjusters Licensing Act and change continuing education and pre-licensing education provisions ( <i>Insurance Dept. Bill</i> ).
	1/3/2018	Bill introduced
	1/8/2018	Referred to BCI
	1/9/2018	Notice of Hearing for 1/16/2018
	1/18/2018	Placed on <b>General File</b>
	1/30/2018	<b>BCI Priority Bill</b>
	1/31/2018	KoltermanAM1702 filed
	2/1/2018	Kolterman AM1702 Adopted
	2/1/2018	Advanced to Enrollment and Review Intital

IIAN leaders met with Insurance Department officials in November to provide input on the provisions of LB 743, which would eliminate the pre-licensing education requirement for insurance producers, and require course providers to file for re-approval of approved continuing education courses every four years. IIAN testified in favor at the bill's hearing, along with PIA, NAIFA, NIIS (Nebraska insurance companies), and the Platte Institute. Testifying opposed was the American Association of Public Insurance Adjusters.

<b>LB799</b> Kolterman	<b>M</b> BCI	Modify deadlines and sanctions in the Surplus Lines Insurance Act ( <i>Insurance Dept. Bill</i> )
	1/4/2018	Bill introduced
	1/8/2018	Referred to Banking, Commerce and Insurance Cmte
	1/9/2018	Notice of Hearing for 1/16/2018
	1/18/2018	Placed on <b>General File</b>
<b>LB815</b> Schumacher	<b>M</b> BCI	Provide regulatory authority regarding reinsurance ( <i>Insurance Dept. Bill</i> )

		1/4/2018	Bill introduced
		1/8/2018	Referred to BCI Committee
		1/9/2018	Notice of Hearing for 1/16/2018
		1/18/2018	Placed on <b>General File</b>
<b>LB858</b>	Hansen	<b>M</b>	Bus&Labor Provide annual adjustments for total disability income benefits under the Nebraska <b>Workers' Compensation Act</b>
		1/5/2018	Bill introduced
		1/8/2018	Referred to Business and Labor Committee
		1/9/2018	Notice of Hearing for 1/22/2018
<b>LB881</b>	Schumacher	<b>M</b>	Revenue Change inheritance tax provisions relating to life insurance proceeds
		1/8/2018	Bill introduced
		1/9/2018	Referred to Revenue Committee
		1/10/2018	Notice of Hearing for 1/18/2018
		1/24/2018	Placed on <b>General File</b>
<b>LB895</b>	Geist	<b>M</b>	T&T Change lien and flood-damaged brand provisions relating to motor vehicle certificates of title and change duties and requirements of the Department of Motor Vehicles as prescribed
		1/8/2018	Bill introduced
		1/9/2018	Referred to Transportation and Telecommunications Cmte
		1/10/2018	Notice of Hearing for 1/22/2018
		1/25/2018	Placed on <b>General File</b>
<b>LB896</b>	Geist	<b>M</b>	T&T Change provisions relating to electronic certificates of title, salvage vehicles, and the electronic dealer services system and Vehicle Title and Registration System maintained by the Department of Motor Vehicles
		1/8/2018	Bill introduced
		1/9/2018	Referred to Transportation&Telecommunications Cmte
		1/10/2018	Notice of Hearing for 1/22/2018
		1/25/2018	Placed on <b>General File</b>
<b>LB899</b>	Erdman	<b>M</b>	Revenue Provide for an adjustment to the assessed value of destroyed real property
		1/8/2018	Bill introduced
		1/9/2018	Referred to Revenue Committee
		1/18/2018	Notice of Hearing for 1/25/2018
<b>LB909</b>	Bostelman	<b>M</b>	T&T Change motor vehicle titling and registration provisions, assembled and kit vehicle provisions, and the branding of certificates of title as reconstructed or replica
		1/8/2018	Bill introduced
		1/9/2018	Referred to Trans & Telecom
		1/19/2018	<b>NOTICE OF HEARING FOR 1/30/2018</b>

<b>LB928</b>	McDonnell	<b>M</b>	<b>Closely</b>	Bus&Labor	Change provisions relating to compensation paid upon the death of an employee under the Nebraska <b>Workers' Compensation Act</b>
					1/9/2018 Bill introduced
					1/10/2018 Referred to Business and Labor Committee
					1/26/2018 <b>NOTICE OF HEARING FOR 2/5/2018</b>
<b>LB952</b>	Albrecht	<b>M</b>		Bus&Lab	Change provisions relating to dismissals of actions under the Nebraska <b>Workers' Compensation Act</b>
					1/10/2018 Bill introduced
					1/11/2018 Referred to Business&Labor Cmte
					1/26/2018 <b>NOTICE OF HEARING FOR 2/5/2018</b>
<b>LB953</b>	Albrecht	<b>M</b>		Bus&Lab	Change provisions relating to lump-sum settlements under the Nebraska <b>Workers' Compensation Act</b>
					1/10/2018 bill introduced
					1/11/2018 Referred to Business&Labor Committee
					1/26/2018 <b>NOTICE OF HEARING FOR 2/5/2018</b>
<b>LB957</b>	Lowe	<b>M</b>		Bus&Lab	Provide procedures for choosing a method of payment for payments under the Nebraska <b>Workers' Compensation Act</b>
					1/10/2018 Bill introduced
					1/11/2018 Referred to Business and Labor Cmte
					1/26/2018 <b>NOTICE OF HEARING FOR 2/5/2018</b>
<b>LB989</b>	Wishart	<b>M</b>		T&T	Authorize testing of autonomous vehicles by a city of the primary class on its roadways
					1/11/2018 Bill introduced
					1/16/2018 Geist and Hansen added
					1/17/2018 Referred to Transportation and Telecommunications Comte
<b>LR281CA</b>	Morfeld	<b>M</b>		HHS	Amendment to Neb. Constitution. Affordable health care is a right and expand eligibility under medical assistance program.
					1/11/2018 Bill introduced
					1/17/2018 Referred to Health & Human Services Committee
					1/30/2018 <b>NOTICE OF HEARING FOR 2/21/2018</b>
<b>LB1012</b>	Harr	<b>M</b>		BCI	Authorize self-service storage facility operator insurance producer licenses
					1/16/2018 Bill introduced
					1/18/2018 Referred to Banking Commerce and Insurance Cmte
					1/23/2018 <b>NOTICE OF HARING FOR 1/30/2018</b>

Would exempt owners of self-storage units from having to qualify as a licensed producer in order to sell insurance on their customers' property while it is stored or in transit; instead it provides for a "limited license". IIAN worked with the Department of Insurance to amend the bill to include more stringent education requirements and consumer protections - Amendment 1691, offered by Senator Harr. Representatives of the Self Storage Association testified in support at the hearing, and Director of Insurance Bruce Ramge testified neutral.

**LB1015** Briese      M GMVA      Allow withholding from public of reports of injury under the Nebraska **Workers' Compensation Act** that reveal an employee's identity  
    1/16/2018      Bill introduced  
    1/18/2018      Referred to Government, Military & Veterans Affairs Cmte  
 (**NOTE: LB319**, carried over from the 2017 session, providing exclusion from public records reports to the Workers' Compensation Court, has resurfaced as LB1015.)

### **2017 SESSION WRAP-UP**

IIAN took positions on or monitored 28 bills affecting the insurance industry last year. Of the five bills IIAN supported, two were passed, and three were held over to the 2018 "short session".

#### Three Insurance Department bills passed:

**LB 137** to adopt the Unclaimed Life Insurance Benefits Act;

**LB 231** to authorize disciplinary action under the Insurance Producers Licensing Act for failing to maintain a license in good standing (**IIAN supported**);

**LB 241** to provide an exception to the annual privacy notice requirement under the Privacy of Insurance Consumer Information Act (**IIAN supported**). Provides an exception to the requirement that licensees of the Department are to provide an annual privacy statement. Current Nebraska law requires licensees to provide annual privacy notices and closely follows the federal Gramm-Leach-Bliley Act. However, in late 2015 Congress amended Gramm-Leach-Bliley to provide an exception to the annual notice requirement if a company provides personal information with non-affiliated third parties only as outlined in law and has not changed its policies disclosed in the most recent disclosure to the consumer. LB241 amends Nebraska law to relax the annual disclosure requirement if the licensee meets the criteria outlined in the Gramm-Leach-Bliley Act.

Also passed: **LB 406**, which amends certain statutes to provide that certain notices (for automobile liability policies) of cancellation or nonrenewal may be mailed by first-class mail using intelligent mail barcode or similar tracking method, in addition to registered or certified mail.

### **2017 BILLS OF INTEREST – HELD OVER TO 2018 SESSION**

The following bills have been held over for the 2018 "short session."

**LB553** Lowe                      Provide for a nonelection of coverage under the Nebraska **Workers' Compensation Act**  
**IIAN Position: Pro-Active Support**  
 1/18/17                      Introduced  
 1/19/17                      Kolterman name added  
 1/20/17                      Referred to Business and Labor Committee  
 1/23/17                      Lindstrom name added  
 1/27/17                      Krist name added  
 1/31/17                      Harr name added  
 1/31/17                      McCollister name added  
**2/2/17                      Hearing scheduled for February 27, 2017**  
 2/24/17                      Brewer name added

[LB553](#) was heard by the Business and Labor Committee on **February 27, 2017**. IIAN members **Andy Bassett** and **Tom Champoux** testified in **support**.

Insurance industry associations PCI and AIA testified in opposition, along with the Nebraska Trial Attorneys.

Would require an individual employer, partner, limited liability company member, or self-employed person who is actually engaged in his/her business and does not elect to bring himself or herself under the Workers' Compensation Act, including an individual independent contractor, who does not insure him/herself for workers' compensation, to acknowledge to the Workers' Compensation Court that he/she is not electing to be covered under the Nebraska Workers' Compensation Act. The individual would not be entitled to any benefits under a workers' compensation policy. The individual could elect to be covered under the Act at any time by submitting a request to the Workers' Compensation Court to remove their non-election of coverage, or purchasing a valid workers' compensation policy that includes her/him for coverage. LB553 would bring more clarity to the workers' compensation insurance market. It will create a more certain legal status for these individual employers and independent contractors in relation to workers' compensation benefits. In addition, it will allow them to decide whether or not to secure workers' compensation coverage in the future.

LB643 Krist                      Change automobile liability insurance and financial responsibility requirements

**IIAN Position:** **Pro-Active Support**

1/18/17                      Introduced

1/20/17                      Referred to Banking, Commerce and Insurance Committee

**2/2/17                      Hearing scheduled for February 28, 2017**

[LB643](#) was heard by the Banking, Commerce and Insurance Committee on **February 28, 2017**. IIAN member **Steve Mason** testified in **support**. Several insurance industry associations testified in opposition.

Would double the current financial responsibility limits for auto insurance. Current minimum limits are \$25,000 per person and \$50,000 per occurrence for bodily injury and \$25,000 for property damage.

LB643 would increase minimum limits to \$50,000 per person and \$100,000 per occurrence for bodily injury and \$50,000 for property damage. These financial responsibility limits have not been raised since 1988.

LB 319 Halloran                      Provide for confidentiality of and access to certain injury reports under the Nebraska **Workers' Compensation Act**

**IIAN Position:** **To Be Determined**

1/12/17                      Introduced

1/17/17                      Referred to Business and Labor Committee

**2/2/17                      Hearing scheduled for March 6, 2017**

Would provide for confidentiality of and access to certain injury reports under the Nebraska Workers' Compensation Act. **NOTE:** Reintroduced in 2018 – LB 1015.

LB486 Kolterman                      Change continuing education requirements for insurance licensees

**IIAN Position:** **Support**

1/17/17                      Introduced

1/19/17                      Referred to Banking, Commerce and Insurance Committee

**1/23/17                      Hearing scheduled for January 31, 2017**

3/8/17                      Placed on **General File with AM208**

**1/24/18                      Placed on **Select File****

**On Tuesday, January 31, IIAN testified in support of [LB 486](#)**, which is also supported by the Nebraska Insurance Department. LB 486 would allow up to 6 CEUs (out of 24 every 2 years in Nebraska) for "active participation in a professional insurance association" - by attending a formal meeting of the association; active service on a board or committee; or participation in industry, regulatory, or legislative meetings.