

One Hundred Eighth Legislature - Second Session - 2024

Introducer's Statement of Intent

LB1147

Chairperson: Senator Julie Slama

Committee: Banking, Commerce and Insurance

Date of Hearing: February 06, 2024

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

Legislative Bill 1147 adds a new section to the Nebraska Insurance Code to address index-linked variable annuities. An index-linked variable annuity is a type of variable annuity that is linked to the performance of an index such as the S&P 500 with a built-in floor or buffer related to loss tolerance.

LB1147 updates Nebraska law to define index-linked variable annuities and provides the needed statutory guidance on proper accounting practices for insurance companies to follow, such as the requirements of the separate investment accounts that hold the assets of the annuities. LB1147 will allow Nebraska domestic life insurance companies to competitively sell index-linked variable annuities to consumers.

Principal Introducer: _____

Senator Eliot Bostar