

LEGISLATIVE BILL 61

Approved by the Governor March 6, 1989

Introduced by Haberman, 44

AN ACT relating to insurance; to provide for foreign insurer's approval as domestic insurers; to provide for domestic insurers to transfer domicile; to provide for continuation of business upon transfer of domicile; and to provide for rules and regulations.

Be it enacted by the people of the State of Nebraska,

Section 1. Any insurer which is organized under the laws of any other state and is admitted to do business in this state for the purpose of writing insurance may become a domestic insurer by complying with all of the requirements of law relative to the organization and licensing of a domestic insurer of the same type and by designating its principal place of business at a place in this state. The domestic insurer shall be entitled to like certificates and licenses to transact business in this state and shall be subject to the authority and jurisdiction of this state.

Sec. 2. Any domestic insurer may, upon the approval of the Director of Insurance, transfer its domicile to any other state in which it is admitted to transact the business of insurance. Upon such a transfer, the domestic insurer shall cease to be a domestic insurer and shall be admitted to this state if qualified as a foreign insurer. The Director of Insurance shall approve any such proposed transfer unless he or she determines such transfer is not in the interest of the policyholders of this state.

Sec. 3. The certificate of authority, agents' appointments, licenses, rates, and other items which the Director of Insurance allows, in his or her discretion, which are in existence at the time any insurer licensed to transact the business of insurance in this state transfers its domicile to this or any other state by merger, consolidation, or any other lawful method, shall continue in full force and effect upon such transfer if such insurer remains duly qualified to transact the business of insurance in this state. All outstanding policies of any transferring insurer shall remain in full force and effect and need not be endorsed as to the new name of the company or its new location unless so

ordered by the director. Every transferring insurer shall file new policy forms with the director on or before the effective date of the transfer but may use existing policy forms with appropriate endorsements if allowed by and under such conditions as approved by the director. Every such transferring insurer shall file promptly and shall notify the director of the details of the proposed transfer and resulting amendments to corporate documents filed or required to be filed with the director.

Sec. 4. The Director of Insurance may adopt and promulgate rules and regulations to carry out sections 1 to 3 of this act.