

LEGISLATIVE BILL 1230

Approved by the Governor April 15, 1996

Introduced by Vrtiska, 1

AN ACT relating to workers' compensation; to amend section 48-144.03, Revised Statutes Supplement, 1994; to change notice requirements for cancellation or nonrenewal of policies; and to repeal the original section.

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

Section 1. Section 48-144.03, Revised Statutes Supplement, 1994, is amended to read:

48-144.03. (1)(a) If an insurer intends to cancel a contract or policy of insurance issued by the insurer under the Nebraska Workers' Compensation Act within the contract or policy period, the insurer shall give notice to such effect ~~in writing~~ to the Nebraska Workers' Compensation Court and to the employer, fixing the date on which it is proposed that such cancellation be effective. Such notices shall contain a brief statement of the insurer's reasons for cancellation and shall be ~~sent by certified mail given to the compensation court and the employer as provided in subsection (3) of this section.~~ No such cancellation shall be effective until thirty days after the ~~mailing giving~~ of such notices, except that such cancellation may be effective ten days after ~~mailing the giving~~ of such notices if such cancellation is based on (i) nonpayment of premium, (ii) failure of the employer to reimburse deductible losses as required under the contract or policy, or (iii) failure of the employer, if covered pursuant to section 48-146.01, to comply with sections 48-443 to 48-445. If the employer has secured insurance with another insurer which would cause double coverage, such cancellation shall be made effective as of the effective date of such other insurance.

(b) In any case when the employer gives notice to the insurer that he or she intends to cancel a contract or policy of insurance issued by the insurer under the Nebraska Workers' Compensation Act within the contract or policy period, the insurer shall immediately give notice ~~in writing~~ to the Nebraska Workers' Compensation Court that such contract or policy is being canceled by the employer and the date on which it is proposed that such cancellation be effective. Such notice shall be ~~sent by certified mail given to the compensation court as provided in subsection (3) of this section.~~ No such cancellation shall be effective until ten days after the ~~mailing giving~~ of such notice. If the employer has secured insurance with another insurer which would cause double coverage, such cancellation shall be made effective as of the effective date of such other insurance.

(2) If an insurer intends to nonrenew a contract or policy of insurance issued under the Nebraska Workers' Compensation Act, the insurer shall give notice to such effect ~~in writing~~ to the Nebraska Workers' Compensation Court and to the employer. Such notices shall contain a brief statement of the insurer's reasons for nonrenewal and shall be ~~sent by certified mail given to the compensation court and the employer as provided in subsection (3) of this section.~~ No such nonrenewal shall be effective until thirty days after the ~~mailing giving~~ of such notices. This subsection shall not apply to contracts or policies of insurance issued pursuant to section 48-146.01.

(3) The notices required by this section shall be provided in writing and shall be deemed given upon the mailing of such notices by certified mail, except that notices from insurers to the Nebraska Workers' Compensation Court may be provided by electronic means if such means is approved by the compensation court. If notice is provided by electronic means pursuant to such an approval, it shall be deemed given upon receipt by the compensation court.

Sec. 2. Original section 48-144.03, Revised Statutes Supplement, 1994, is repealed.