

## LEGISLATIVE BILL 444

Approved by the Governor April 17, 2001

Introduced by Preister, 5; Hilgert, 7; Kruse, 13

AN ACT relating to insurance; to amend section 44-7501, Revised Statutes Supplement, 2000; to provide requirements for automobile liability insurance and rating systems; to harmonize provisions; and to repeal the original section.

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

Section 1. Section 44-7501, Revised Statutes Supplement, 2000, is amended to read:

44-7501. Sections 44-7501 to 44-7535 and section 2 of this act shall be known and may be cited as the Property and Casualty Insurance Rate and Form Act.

Sec. 2. (1) On and after July 1, 2002, no private passenger automobile liability policy shall be delivered, issued for delivery, or renewed with respect to any motor vehicle licensed in this state unless accompanied by a disclosure showing the location used to determine the rate charged to the named insured and if any credit-based rating was used to determine the rate charged.

(2) For an insurer determined by the director to be an insurer with a substantial market share of the private passenger automobile insurance premium written in this state:

(a) The private passenger automobile liability insurance rating territories for motor vehicles located in a city of the metropolitan class that are contained in the insurer's qualifying rate filing made on or after January 1, 2002, shall be deemed to expire three years after their effective date unless they are refiled;

(b) Unless the insurer has made a qualifying rate filing with an effective date on or after January 1, 2002, as provided in subdivision (2)(a) of this section, all filings made by the insurer of private passenger automobile insurance that justify the rating relativities of a rating territory for motor vehicles located in a city of the metropolitan class shall expire July 1, 2003;

(c) If necessary for the director to complete his or her study of a rating system filing that is proposed as a qualifying rate filing, the director shall extend the three-year period if the insurer has made a proposed qualifying rate filing prior to the end of the three-year period with a requested effective date no later than three years after the effective date of its last qualifying rate filing;

(d) A filing made by an advisory organization on behalf of an insurer shall be deemed to be a filing by the insurer for purposes of the expiration requirement of this subsection; and

(e) For purposes of this subsection:

(i) Insurer with a substantial market share of the private passenger automobile insurance premium written in this state means:

(A) An insurer that is one of the ten insurers writing the largest amount of private passenger automobile insurance premium in this state; or

(B) An insurer that meets any other standard prescribed by rule and regulation adopted and promulgated by the director; and

(ii) Qualifying rate filing means an approved rating system filing that justifies the rating relativities of the private passenger automobile liability insurance rating territories for motor vehicles located in a city of the metropolitan class made on or after January 1, 2002.

Sec. 3. Original section 44-7501, Revised Statutes Supplement, 2000, is repealed.