

One Hundred Second Legislature - First Session - 2011

Introducer's Statement of Intent

LB535

Chairperson: Senator Rich Pahls

Committee: Banking, Commerce and Insurance

Date of Hearing: January 31, 2011

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

LB 535 would provide a regulatory framework for the offering and sale of insurance covering portable electronic devices such as cell phones and smart phones. Coverage available under this type of insurance protects against loss, theft, mechanical failure, damage or other applicable perils. The bill does not apply to service contracts or manufacturers' warranties.

LB 535 would require vendors who offer to sell portable electronic insurance to obtain one limited lines producer license. The legislation is intended to be consistent with the national trend with respect to the regulation of this product. LB 535 also provides significant consumer protection measures in the form of required disclosures to consumers regarding the insurance coverage as well as training for individual salespersons.

Principal Introducer: _____

Senator Dennis Utter