

# Bill as Introduced

SB 292 – AS INTRODUCED

2014 SESSION

14-2793  
01/03

SENATE BILL        **292**

AN ACT            relative to insurance company regulation.

SPONSORS:        Sen. Hosmer, Dist 7; Sen. Boutin, Dist 16

COMMITTEE:      Commerce

---

ANALYSIS

This bill clarifies investment limitations for a domestic insurance company who wants to become a limited partner in a limited partnership.

-----

Explanation:      Matter added to current law appears in ***bold italics***.  
                         Matter removed from current law appears [~~in brackets and struck through~~].  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Fourteen*

AN ACT                   relative to insurance company regulation.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1           1 Insurance; Investments; Limited Partnerships. Amend RSA 402:28, I(d)(2) and (3) to read as  
2 follows:

3                   (2) A company shall not invest [~~more than 5 percent of its capital and surplus~~] in any  
4 one such partnership *more than the percentage limitation for any one business entity set*  
5 *forth in RSA 402:29-d.*

6                   (3) The aggregate carrying value of all investments in limited partnerships *and*  
7 *other equity interests* shall not exceed [~~5 percent of the company's admitted assets~~] *the*  
8 *percentage limitations set forth in RSA 402:29-d.*

9           2 Repeal. RSA 402:82, II-VI, relative to certain requirements regarding claims forms and  
10 applications, are repealed.

11           3 Effective Date. This act shall take effect upon its passage.

# Amendments

Rep. Flanders, Belk. 3  
April 22, 2014  
2014-1490h  
01/09

Amendment to SB 292

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to signatures required for applications for certain insurance.

4

5 Amend the bill by replacing all after the enacting clause with the following:

6

7 1 Insurance Companies and Agents; Claims Forms and Applications. Amend the introductory  
8 paragraph of RSA 402:82, II to read as follows:

9 II. No insurance company or producer shall accept an application for workers'  
10 compensation[~~property or casualty insurance,~~] or life, accident and health insurance unless the  
11 application includes:

12 2 Effective Date. This act shall take effect upon its passage.

**Amendment to SB 292**  
**- Page 2 -**

2014-1490h

**AMENDED ANALYSIS**

This bill clarifies the signatures required for applications for certain insurance.

# Speakers





# Hearing Minutes

**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**PUBLIC HEARING ON HB 292**

**BILL TITLE:** relative to insurance company regulation.

**DATE:** 4-8-14

**LOB ROOM:** 302      **Time Public Hearing Called to Order:** 2:15 pm

**Time Adjourned:** 2:25 pm

(please circle if present)

**Committee Members:** Reps. Butler, Schlachman, Muns, Kopka, Gidge, J. Hammond, Mulholland, Heden, McNamara, Scarlotto, Williams, John Hunt, Planders, R. Belanger, F. Rice, Tucker, Jones, Keith Murphy, Doolan and Sandblade.

**Bill Sponsors:** Sens. Hosmer & Boutin

**TESTIMONY**

\* Use asterisk if written testimony and/or amendments are submitted.

**Rep. Kermit Williams** - Introduced the bill. Highlighted Part 2 of the bill which repeals requirements regarding claim forms and applications.

**\*Deb Stone, NH Insurance Dept.** - They are concerned about adverse impact on insurance companies to pay claims if too much is invested in particular kinds of investments. There is model law developed by the NAIC that would address their concerns and that they are very close to agreement with other parties on a short term fix that allows insurance companies to follow a permitted practice.

**Q: Chairman Ed Butler** - How would the permitted practice procedure work?

**A:** Agreement with department and the carriers interested that would sunset when model law goes into affect.

**Q: Rep. Chris Muns** - What is the urgency to move forward right now?

**A:** Earliest that model law could be implemented is 2015. There is a company that wants to move forward sooner than that. They are "anxious" to do this. Not sure what the source of urgency is.

**Q: Rep. McNamara** - Can you talk about what other states are doing?

**A:** Other states seem to be moving towards that model law.

**Q: Chairman Butler** - In the past the insurance world has done well in coming through financial downturns. This bill would loosen guidelines. Is it a dangerous practice?

**A:** World has changed in the insurance marketplace; lots of different types of investments have come to market. Model law takes that into account

**Barbara Richardson, NHID** – Opposes the bill. Second part of the bill has to do with signature requirements on applications. Important to insurance department that these requirements remain, so that consumers really know what they are committing to. They are trying to come up with a solution that balances the companies' desire to streamline the signature collection process with the insurance departments desire continue to collect this information Six other states have bills on the books that require signatures.

**\*Jim Hatem, State Farm** – Supports the bill; see written testimony. Section 2 is in response to a bill in 2009 that required signatures on all applications.

**Q: Rep Muns** - Without signatures how do you avoid litigation about what the terms of coverage are?

**A:** They provide coverage sheet and say that's your coverage unless you have questions, in which case contact us.

**Q: Rep. Williams** - Doesn't electronic signature language provide enough flexibility.

**A:** Yes, but the question becomes are these really feasible.

**Q:** Has the Insurance Department provided any guidance?

**A:** Yes, but it's more than just the mechanics of collecting the signatures, it's whether it is practical.

**George Roussos, Assn. of Domestic Insurance Companies** – Supports the bill. Insurers are looking for ways to increase returns. He agrees that current law is too restrictive. They are ok with using the permitted practice approach; but they have to work out the details. No good reason to deny NH Domestic Insurance companies same rights that companies in other states have.

**Q: Chairman Butler** - Can companies move forward with permitted practices without having to pass this bill?

**A:** Might work out. If we don't come up with an agreement then they might want to have the legislation.

**Q: Rep. Muns** - What is the name of the company and why is it so important that they do it now?

**A:** Liberty Mutual and it's not an emergency, they would like to be able to do it in NH; they can do it elsewhere.

**Q: Rep. Butler** - Tell us why you want to repeal the signature requirement?

**A:** Difficult for consumers; difficult for companies. In some cases, the person is located overseas in Afghanistan. Not practical and not necessary. Part of SB 500 passed in 2008. Not saying that it shouldn't be permitted, they just don't think that it should be required. To best of his knowledge NH is the only state that requires signatures.

**Rep. Kevin Murphy** - What policies are still requiring signatures?

**A:** Not clear that there are consistent requirements or that they are being implemented consistently. Biggest area of concern is in property casualty insurance. He's not aware of any significant case where lack of a signature made a difference.

**Q: Rep. Williams** - Do you require signatures on claims?

**A:** Yes.

**Q: Rep. Butler** - Seems that a signature is a basic element of a contract. Why not want a signature as a commitment to an agreement?

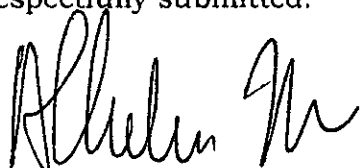
**A:** Should be up to each company.

**Q: Rep. John Hunt** - Do you need a signature on adding a car to an existing policy?

**A:** No.

Subcommittee appointed: Flanders (Chair), Gidge and Williams

Respectfully submitted:

A handwritten signature in black ink, appearing to read "Chris Muns". The signature is written in a cursive, flowing style.

Chris Muns, Clerk

**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**PUBLIC HEARING ON HB 292**

**BILL TITLE:** relative to insurance company regulation.

**DATE:** 4-8-14

**LOB ROOM:** 302

**Time Public Hearing Called to Order:** 2:15

**Time Adjourned:** 3:25

(please circle if present)

**Committee Members:** Reps. Büfner, Schlachman, Muns, Kopka, Cidge, Hammond, Mulholland, Haden, McNamara, Scarlotto, Williams, John Hunt, Flanders, R. Belanger, F. Rice, Tucker, Jones, Keith Murphy, Doolan and Sandblade.

**Bill Sponsors:** Sens. Hosmer & Boutin

**TESTIMONY**

\* Use asterisk if written testimony and/or amendments are submitted.

## Sb 292

### Hearing on April 8, 2014

#### Speaker

Rep Williams-to introduce the bill. Highlighted Part 2 of the bill which repeals requirements regarding claim forms and applications.

#### Questions

#### Speaker

Deb Stone - NH ID (written testimony) They are concerned about adverse impact on insurance companies to pay claims if too much is invested in particular kinds of investments. There is model law developed by the NAIC that would address their concerns and that they are very close to agreement with other parties on a short term fix that allows insurance companies to follow a permitted practice.

#### Questions

Rep Butler: How would the permitted practice procedure work.

Agreement with department and the carriers interested that would sunset when model law goes into affect.

Rep Muns: What is the urgency to move forward right now.

Earliest that model law could be implemented is 2015. There is a company that wants to move forward sooner than that. They are "anxious" to do this. Not sure what the source of urgency is.

Rep McNamara: Can you talk about what other states are doing.

Other states seem to be moving towards that model law.

Rep Butler: In the past the insurance world has done well in coming through financial downturns. This bill would loosen guidelines. Is it a dangerous practice.

World has changed in the insurance marketplace; lots of different types of investments have come to market. Model law takes that into account

#### Speaker

Barbara Richardson - NHID speaking against the bill .

Second part of the bill has to do with signature requirements on applications. Important to insurance department that these requirements remain, so that consumers really know what they are committing to. They are trying to come up with a solution that balances the companiys' desire to streamline the signature collection process with the insurance departments desire continue to collect this information Six other states have bills on the books that require signatures. .

#### Questions

#### Speaker

Jim Hatem-representing State Farm. Seeking in support (written testimony). Section 2 is in respond to a bill in 2009 that required signatures on all applications.

#### Questions

Rep Muns: Without signatures how do you avoid litigation about what the terms of coverage are

They provide coverage sheet and say that's your coverage unless you have questions, in which case contact us.

Rep Williams: Doesn't electronic signature language provide enough flexibility.

Yes, but the question becomes are these really feasible.

Rep Williams: Has the Insurance Department provided any guidance.

Yes, but its more than just the mechanics of collecting the signatures, its whether it is practical.

#### Speaker

George Roussos – representing the Association of Domestic Insurance Companies.

Speaking in support. Insurers are looking for ways to increase returns. He agrees that current law is to restrictive. They are ok with using the permitted practice approach; but they have to work out the details. No good reason to deny NH Domsestic Insurance companies same rights that companies in other states have.

#### Questions

Rep Butler: Can companies move forward with permitted practices without having to pass this bill.

Might work out. If we don't come up with an agreement then they might want to have the legislation.

Rep Muns: What is the name of the company and why is it so important that they do it now. Liberty Mutual and its not an emergency, they would like to be able to do it in NH; they can do it elsewhere.

Rep Butler: Tell us why you want to repeal the signature requirement.

Difficult for consumers. Difficult for companies. In some cases, the person is located oversees in Afganistan. Not practical and not necessary. Part of SB 500 passed in 2008 Not saying that it shouldn't be permitted, they just don't think that it should be required. To best of his knowledge NH is the only state that requires signatures.

Rep Murphy: What policies are still requiring signatures.

Not clear that there are consistent requirements or that they are being implemented consistently. Biggest area of concern is in property casualty insurance. He's not aware of any significant case where lac of a signature made a difference.

Rep Williams: Do you require signatures on claims.

Yes.

Rep Butler: Seems that a signature is a basic element of a contract. Why not want a signature as a commitment to an agreement.

Should be up to each company.

Rep Hunt: Do you need a signature on adding a car to an existing policy.

No.

Subcommittee appointed: Flanders (Chair), Gidge and Williams

Respectfully submitted by:

Chris Muns

# Sub-Committee Actions



**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**SUBCOMMITTEE WORK SESSION ON HB 292**

**BILL TITLE:** relative to insurance company regulation.

**DATE:** 4-22-14

**Subcommittee Members:** Reps. Flanders, Williams, Gidge

**Comments and Recommendations:** President DOI, Deb Stone, Peter McArdle, Jim Hatem, George Roussos. All parties agreed to accept the following amendment.

**Amendments:**

Sponsor: Rep. Flanders OLS Document #: 2014 1409h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

**Motions:** OTP, ~~OTP/A~~, ITL, Interim Study (Please circle one.)

Moved by Rep. Williams

Seconded by Rep. Flanders

Vote: 3-0

**Motions:** ~~OTP~~, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Williams

Seconded by Rep. Flanders

Vote: 3-0

Respectfully submitted,

Rep. Don Flanders  
Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

SUBCOMMITTEE WORK SESSION ON HB 292

**BILL TITLE:** relative to insurance company regulation.

**DATE:** 4-22-14

**Subcommittee Members:** Reps. FLANDERS, WILLIAMS, GIBBE

**Comments and Recommendations:**

PRESENT, DOI, DUB STONE, PETER McARDLE, JIM HATUM, GED ROUSSEAU

**Amendments:** ALL PARTIES AGREED TO ACCEPT FOLLOWING AMENDMENT

Sponsor: Rep. FLANDERS OLS Document #: 1409-h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

**Motions:**  OTP  OTP/A,  ITL, Interim Study (Please circle one.)

Moved by Rep. WILLIAMS

Seconded by Rep. FLANDERS

Vote: 3-0

**Motions:** OTP,  OTP/A,  ITL, Interim Study (Please circle one.)

Moved by Rep. WILLIAMS

Seconded by Rep. FLANDERS

Vote: 3-0

Respectfully submitted,

Rep. {Type NAME}  
Subcommittee Chairman/Clerk

DON FLANDERS

Rep. Flanders, Belk. 3  
April 22, 2014  
2014-1490h  
01/09

Amendment to SB 292

1 Amend the title of the bill by replacing it with the following:

2

3 AN ACT relative to signatures required for applications for certain insurance.

4

5 Amend the bill by replacing all after the enacting clause with the following:

6

7 1 Insurance Companies and Agents; Claims Forms and Applications. Amend the introductory  
8 paragraph of RSA 402:82, II to read as follows:

9 II. No insurance company or producer shall accept an application for workers'  
10 compensation[~~, property or casualty insurance,~~] or life, accident and health insurance unless the  
11 application includes:

12 2 Effective Date. This act shall take effect upon its passage.

2014-1490h

AMENDED ANALYSIS

This bill clarifies the signatures required for applications for certain insurance.

# Testimony

—2008. Amended section generally.

#### 402:82 Claim Forms and Applications.

I. All insurance claim forms shall contain a statement that clearly states in substance the following: "Any person who, with a purpose to injure, defraud, or deceive any insurance company, files a statement of claim containing any false, incomplete, or misleading information is subject to prosecution and punishment for insurance fraud, as provided in RSA 638:20."

II. No insurance company or producer shall accept an application for workers' compensation, property or casualty insurance, or life, accident and health insurance unless the application includes:

(a) A written or electronic signature of the producer, unless the transaction does not involve a producer; and

(b) A written or electronic signature of the applicant. In the case of group life, accident, or health insurance, the certificate holder insured under the group health policy is not the applicant.

III. Paragraph II shall not apply to a request for a binder providing temporary coverage, provided the binder is effective for a period of no more than 30 days. The insurer shall comply with the provisions of paragraph II before the issuance of the insurance policy.

IV. The lack of the information required by paragraphs I and II shall not constitute a defense against prosecution under RSA 638:20 or any other criminal statute.

V. "Electronic signature" shall have the same definition as under RSA 294-E:2.

VI. "Written signature" means an original signature or a duplicate copy made by photocopying, facsimile, or other means similar and does not include stamped signatures.

#### HISTORY

Source. 1991, 248:2, eff. Jan. 1, 1992. 2008, 378:3, eff. Jan. 1, 2009. 2010, 212:4, eff. Jan. 1, 2011. 2011, 189:1, eff. Aug. 13, 2011.

Amendments—2011. Paragraph II: Substituted "compensation," for "compensation or" and inserted "or life, accident and health insurance" following "casualty insurance," in the

## NH Insurance Department

### SB 292

08 April 2014

The fundamental charge of the insurance department is to protect insurer solvency to make it most probable that there is money readily available to pay consumer claims when they happen. SB 292 makes changes to one of NH's insurance statutes that places limits on how an insurance company can invest its assets. These limitations are part of that effort to protect insurer solvency and thus our NH consumers' interests.

### Language from SB 292

1 Insurance; Investments; Limited Partnerships. Amend RSA 402:28, I(d)(2) and (3) to read as follows:

(2) A company shall not invest [~~more than 5 percent of its capital and surplus~~] in any one such partnership ***more than the percentage limitation for any one business entity set forth in RSA 402:29-d.***

(3) The aggregate carrying value of all investments in limited partnerships and other equity interests shall not exceed [~~5 percent of the company's admitted assets~~] ***the percentage limitations set forth in RSA 402:29-d.***

### Comments from NH Insurance Department

We would like to provide some background on this section of SB 292, as well an update as to its current status.

RSA 402:28 is specific to ***limited partnerships***. RSA 402:29-d references equity interests, including ***limited partnership equity interests***. In accounting terms, these two types of investments fall under different asset classes. Limited partnership risk is considered to be higher than other typical equity interests, and that difference is reflected in the accounting treatment (reported on different schedules, valued differently, etc.) The differences are in large part due to the fact that an investment in a limited partnership is not a liquid investment. Insurers are required to follow certain investment laws & guidelines that promote liquidity in order to ensure that funds are available to pay claims, and also to limit what we call

diversification risk. Diversification risk is higher when too much of the entity's assets are invested in a small number of investments.

Because these are different types of assets, and because we always have to be concerned about the risks associated with investments, we do not believe that the way the bill is written is the right approach to addressing the insurers' concerns. Beyond what we have already laid out above, adoption of this language would make our financial analysis more difficult in that it means the probability that multiple insurers will be exceeding benchmarks and NAIC guidelines in our financial regulatory framework.

However, we do recognize that insurers may be looking for a way increase their returns, that investments in limited partnerships often carry higher returns, and that the limitations in the current law are quite restrictive regarding limited partnerships. The department has been reviewing an NAIC model law that we believe addresses these concerns, and has in fact discussed it with one of the major insurers looking for relief in this area, and they have told us they can support the model law. After our initial review, we believe that adoption of this model law will address not only this area but also limitations, deficiencies or other needed changes or additions to our current investment laws. It is our intention to move forward with legislation to adopt the model law, in whole or in part, during the 2015 session if possible.

Finally, in order to address the concerns of the insurers involved and to provide the opportunity for some flexibility in the investment laws/guidelines related to limited partnerships, we are expecting at least one request to our department for what is called a 'permitted practice'. A permitted practice, if granted, would allow an insurer with the financial wherewithal, to exceed the current legal investment limitations on limited partnership investments. We are expecting this request to be made in line with the limitations included in the model law, and thus if granted to be an easy transition to the model law environment if that law is adopted.

To summarize, we believe the language as originally proposed is problematic from our department's standpoint and from an NAIC standpoint as well. We are actively moving toward a long-term solution and are close to an agreement on a method to provide a short-term fix as well. We would urge the committee to allow us to continue to work with the market and to remove this section of SB 292 from consideration.



State Farm  
Corporate Headquarters  
1 State Farm Plaza  
Bloomington, IL 61710-0001

Keith Berlin  
Counsel  
(309)766-3514 Fax (309)766-4909  
[keith.berlin.tsb0@statefarm.com](mailto:keith.berlin.tsb0@statefarm.com)

**State Farm Written Testimony in Support of Section 2 of SB 292 before  
New Hampshire House Commerce and Consumer Affairs Committee**  
April 8, 2014

Members of the New Hampshire House Commerce and Consumer Affairs Committee:

State Farm respectfully submits the following written testimony in support of section 2 of SB 292. As the leading auto insurer and home insurer in New Hampshire, with forty-five State Farm agents, our commitment to serving New Hampshire residents is unwavering.

New Hampshire RSA §402:82, II-VI went into effect on January 1, 2009, requiring insurers to obtain signatures from both the producer and applicant on all applications for all types of insurance, including homeowners, automobile and umbrella insurance policies, written in New Hampshire. New Hampshire is the only jurisdiction that requires an applicant's signature in order for a property & casualty insurance application to be valid. To comply with the New Hampshire signature requirement, State Farm added signature lines to all paper and PDF applications, and a signature document was created to secure signatures for electronic applications.

State Farm's experience with complying with this law since that time indicates that it is much more burdensome than one might expect. With the practicalities of today's world where customers overwhelmingly prefer telephone applications, obtaining the consumers' signatures on these applications has proven to be a substantial imposition on consumers and costly to insurers. One consequence of these additional costs is higher expenses and upward pressure on insurance rates.

When a consumer completes an application over the telephone, he or she is usually trying to avoid the hassle of traveling to the agent's office. While requiring consumers to travel to the agent's office might be the most certain means of obtaining a signature on an application, doing so defeats the primary purpose of telephone applications. Therefore, troubling consumers by requiring them to travel to the agent's office needs to be avoided if possible.

State Farm  
Corporate Headquarters  
1 State Farm Plaza  
Bloomington, IL 61710-0001

Alternatively, an agent can mail the application to the consumer for signature. In the best case, this creates hassle and delay in application processing for consumers who are seeking ease and expediency. In far too many cases, State Farm and its agents need to chase down unreturned applications to avoid the additional disruption and complications cause by unsigned applications. In some cases, State Farm may need to cancel the policy and then reissue it when the consumer learns of the cancellation and brings in the signature documents.

Prior to the enactment of the existing signature requirement, State Farm's average completion time for underwriting automobile applications was two days. With the signature requirement in place, State Farm's average completion time for automobile applications has increased to 7-10 days.

Additionally, approximately 15% of State Farm applications do not get returned with the required signature, resulting in State Farm cancelling such policies. On average approximately 1,853 policies must be cancelled in a year because of the lack of signature. This amounts to significant extra expense and time in the reprocessing of the application and the reissuance of the policy, plus extra hours and expenses spent by agents and agents' staff in attempting to track down and obtain the required signatures, plus unnecessary hassle for the customer.

While electronic signatures may offer potential relief, State Farm's experience is that they are not helpful with respect to telephone applications, which are the preferred method for consumers historically. In February 2013, State Farm reviewed eSignatures with respect to telephone applications. A test project was implemented in July 2013 with New Hampshire agents. The result was that only 28% of applications utilized the eSignature process. One of the reasons for low participation was the repetitive follow up required to get policyholders to return the electronic documents, which is the same issue with wet signatures. In February 2014, the Corporate Project Team suspended the project because of low usage rate, the required follow up by agents, and the complexities in creating a holistic solution capable of addressing signatures not only on applications but also residency and banking forms required for electronic payment of premiums.

Based on State Farm's experience as described above and the lack of application signature requirements in other jurisdictions, State Farm believes that the burden and cost of the signature requirement far outweighs any benefits obtained by these signature, and therefore supports section 2 of SB 292.

State Farm  
Corporate Headquarters  
1 State Farm Plaza  
Bloomington, IL 61710-0001

Feel free to contact me with any questions or concerns you may have with section 2 of Senate Bill 292 or any of the above written testimony.

Sincerely,



Keith Berlin  
Counsel

# Voting Sheets

**HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS**

**EXECUTIVE SESSION on SB 292**

**BILL TITLE:** relative to insurance company regulation.

**DATE:** 4-22-14

**LOB ROOM:** 304

**Amendments:**

Sponsor: Rep. Flanders OLS Document #: 2014 1490h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

**Motions:** OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Flanders

Seconded by Rep. Gidge

Vote: 16-0 (Please attach record of roll call vote.)

**Motions:** OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Flanders

Seconded by Rep. Gidge

Vote: 16-0 (Please attach record of roll call vote.)

**CONSENT CALENDAR VOTE:** Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

**Statement of Intent:** Refer to Committee Report

Respectfully submitted,

Rep. Chris Muns, Clerk

HOUSE COMMITTEE ON COMMERCE AND CONSUMER AFFAIRS

EXECUTIVE SESSION on SB 292

BILL TITLE: relative to insurance company regulation.

DATE: 4-22-14

LOB ROOM: 304

Amendments:

Sponsor: Rep. FLANDERS.

OLS Document #: 2014-1490h.

Sponsor: Rep.

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. FLANDERS

Seconded by Rep. GIDDE

Vote: (Please attach record of roll call vote.) 16-0

Motions: OTP/A, OTP, ITL, Interim Study (Please circle one.)

Moved by Rep. FLANDERS

Seconded by Rep. GIDDE

Vote: (Please attach record of roll call vote.) 16-0

**CONSENT CALENDAR VOTE:** Consent or Regular (Circle One)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Chris Muns, Clerk



2014 SESSION

COMMERCE AND CONSUMER AFFAIRS

Bill #: SB 292 Title: Re: Ins. company regulation

PH Date: 1/1 Exec Session Date: 1/22/14

Motion: OTP Amendment #: 2014-1490h

MEMBER	YEAS	NAYS
Butler, Edward A, Chairman	✓	
Schlachman, Donna L, V Chairman	✓	
<del>Kopka, Angeline A</del>		
Gidge, Kenneth N	✓	
Hammond, Jill S	✓	
<del>Mulholland, Catherine</del>		
Heden, Ruth S	✓	
<del>McNamara, Richard D</del> <i>MANLEY, DON</i>	✓	
Muns, Chris, Clerk	✓	
Scarlotto, Joe W	✓	
Williams, Kermit R	✓	
Hunt, John B	✓	
Flanders, Donald H	✓	
<del>Belanger, Ronald J</del>		
Rice, Frederick C	✓	
Tucker, Pamela Z	✓	
Jones, Laura M	✓	
Murphy, Keith	✓	
<del>Deolan, Ralph J</del>		
Sandblade, Emily C	✓	
<b>TOTAL VOTE:</b>	<b>16</b>	<b>0</b>



STATE OF NEW HAMPSHIRE  
OFFICE OF THE HOUSE CLERK

2/21/2014 9:12:13 AM  
Roll Call Committee Registers  
Report

2014 SESSION

COMMERCE AND CONSUMER AFFAIRS

Bill #: SB 292 Title: Re: ins. company regulation

PH Date: 1 / 1 Exec Session Date: 4 / 22 / 14

Motion: OTP-A Amendment #: \_\_\_\_\_

MEMBER	YEAS	NAYS
Butler, Edward A, Chairman	✓	
Schlachman, Donna L, V Chairman	✓	
<del>Kopka, Angeline A</del>		
Gidge, Kenneth N	✓	
Hammond, Jill S	✓	
<del>Mulholland, Catherine</del>		
Heden, Ruth S	✓	
McNamara, Richard D <i>MANLEY, JON</i>	✓	
Muns, Chris, Clerk	✓	
Scarlotto, Joe W	✓	
Williams, Kermit R	✓	
Hunt, John B	✓	
Flanders, Donald H	✓	
<del>Belanger, Ronald J</del>		
Rice, Frederick C	✓	
Tucker, Pamela Z	✓	
Jones, Laura M	✓	
Murphy, Keith	✓	
<del>Doolan, Ralph J</del>		
Sandblade, Emily C	✓	
<b>TOTAL VOTE:</b>	<b>16</b>	<b>0</b>



# Committee Report

**CONSENT CALENDAR**

**April 30, 2014**

**HOUSE OF REPRESENTATIVES**

**REPORT OF COMMITTEE**

**The Committee on COMMERCE AND CONSUMER**

**AFFAIRS to which was referred SB292,**

**AN ACT relative to insurance company regulation.**

**Having considered the same, report the same with the following amendment, and the recommendation that the bill OUGHT TO PASS WITH AMENDMENT.**

**Rep. Donald H Flanders**

**FOR THE COMMITTEE**

## COMMITTEE REPORT

Committee:	<b>COMMERCE AND CONSUMER AFFAIRS</b>
Bill Number:	<b>SB292</b>
Title:	<b>relative to insurance company regulation.</b>
Date:	<b>April 23, 2014</b>
Consent Calendar:	<b>YES</b>
Recommendation:	<b>OUGHT TO PASS WITH AMENDMENT</b>

### STATEMENT OF INTENT

This bill amends RSA402:82II to delete property and casualty insurance from having to comply with the signatory provisions of this section. These provisions have been problematic for a number of large national insurance carriers due to incompatibility with their computer systems, since New Hampshire is the only state requiring this procedure. The New Hampshire Insurance Department has approved this change and is working with national organizations to come up with a new procedure that will be more effective and broadly used.

Vote 16-0.

Rep. Donald H Flanders  
FOR THE COMMITTEE

Original: House Clerk  
Cc: Committee Bill File

## **CONSENT CALENDAR**

### **COMMERCE AND CONSUMER AFFAIRS**

**SB292**, relative to insurance company regulation. **OUGHT TO PASS WITH AMENDMENT.**  
Rep. Donald H Flanders for **COMMERCE AND CONSUMER AFFAIRS**. This bill amends RSA402:82II to delete property and casualty insurance from having to comply with the signatory provisions of this section. These provisions have been problematic for a number of large national insurance carriers due to incompatibility with their computer systems, since New Hampshire is the only state requiring this procedure. The New Hampshire Insurance Department has approved this change and is working with national organizations to come up with a new procedure that will be more effective and broadly used. **Vote 16-0.**

Original: House Clerk  
Cc: Committee Bill File

# COMMITTEE REPORT

COMMITTEE: COMMERCE

BILL NUMBER: SB 292

TITLE: RELATIVE TO INSURANCE COMPANY REGULATION

DATE: 4/22/14 . CONSENT CALENDAR: YES  NO

OUGHT TO PASS

OUGHT TO PASS W/ AMENDMENT

INEXPEDIENT TO LEGISLATE

INTERIM STUDY (Available only 2<sup>nd</sup> year of biennium)

Amendment No.  
1409h 2 140h

## STATEMENT OF INTENT:

THIS BILL AMENDS RSA 402:82 II TO DELETE PROPERTY AND CASUALTY  
INSURANCE OTHER THAN THOSE SPECIFICALLY ITEMIZED FROM HAVING TO  
COMPLY WITH THE SIGNATORY PROVISIONS OF THIS SECTION. THESE  
PROVISIONS HAVE BEEN PROBLAMATIC FOR A NUMBER OF LARGE NATIONAL  
INSURANCE CARRIERS DUE TO INCOMPATIBILITY WITH THEIR COMPUTER  
SYSTEMS WHEREIN NEW HAMPSHIRE IS THE ONLY STATE REQUIRING  
THIS PROCEDURE. THE NEW HAMPSHIRE INSURANCE DEPT HAS  
APPROVED THIS CHANGE AND IS WORKING WITH NAIC TO COME UP  
WITH A NEW PROCEDURE THAT WILL BE MORE <sup>EFFECTIVE AND BROADLY USED</sup> ~~UNIVERSALLY USED~~

COMMITTEE VOTE: 16-0

RESPECTFULLY SUBMITTED,

- Copy to Committee Bill File
- Use Another Report for Minority Report

Rep. Don H. Anderson  
For the Committee

SB 292  
Rep. Donald Flanders  
OTP/A  
1409h  
CC  
16-0

This bill amends RSA402:82II to delete property and casualty insurance from having to comply with the signatory provisions of this section. These provisions have been problematic for a number of large national insurance carriers due to incompatibility with their computer systems, since New Hampshire is the only state requiring this procedure. The New Hampshire Insurance Department has approved this change and is working with national organizations to come up with a new procedure that will be more effective and broadly used.