Bill as Introduced

SB 351- AS INTRODUCED

2000 SESSION

00-2308
01/09

SENATE BILL ***351***

AN ACT making certain changes in the laws relative to fraternal benefit societies and health service corporations.

SPONSORS: Sen. Fraser, Dist 4; Sen. J. King, Dist 18; Sen. D'Allesandro, Dist 20

COMMITTEE: Insurance

ANALYSIS

This bill makes certain clarifications in the law regarding fraternal benefit societies. The bill also changes the expiration date on licenses issued to health service corporations.

This bill was requested by the insurance department.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

00-2308
01/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand

AN ACT making certain changes in the laws relative to fraternal benefit societies and health service corporations.

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

1 Investment of Funds. Amend RSA 418:12 to read as follows:

418:12 Investments. Every society shall invest its funds only in the manner permitted by the laws of this state for the investment of the assets of life insurance companies, [~~except that any society doing business in the Dominion of Canada may invest not more than 5 percent of its total admitted assets in accordance with the laws governing investments by fraternal benefit societies in effect in the provinces where said society is licensed to do business;~~] provided that any foreign society permitted or seeking to do business in this state, which invests its funds in accordance with the laws of the state in which it is incorporated, shall be held to meet the requirements of this section for the investment of funds.

2 Licensing of Societies. Amend RSA 418:16 to read as follows:

418:16 Annual License. [~~Societies which are now authorized to transact business in this state may continue such business until the first day of April next succeeding May 9, 1945, and the authority of such societies may thereafter be renewed annually, but in all cases shall terminate on the succeeding April 1~~] ***On compliance with the foregoing conditions and if the society is found upon examination made by or under the direction of the commissioner to have complied with the laws of the state applicable to it, a license to transact business in this state shall be issued until June 14 thereafter. Annually thereafter, on June 15, such license may be renewed so long as the society shall comply with the requirements of the law and the commissioner shall regard it as safe, reliable, and entitled to confidence***; provided, however, a license so issued shall continue in full force and effect until the new license shall be issued or specifically refused [~~except that~~]. No unincorporated or voluntary society shall be permitted to transact business in this state [~~after December 31, 1946~~]. For each such license or renewal the society shall pay the commissioner of insurance $100. A duly certified copy or duplicate of such license shall be prima facie evidence that the licensee is a fraternal benefit society within the meaning of this chapter.

3 Fraternal Benefit Societies; Expiration Date of License Changed. Amend RSA 418:17 to read as follows:

418:17 Admission of Foreign Society. No foreign society, which is not now authorized to transact business in this state, shall transact any business herein without a license from the commissioner of insurance. Any such society may be licensed to transact business in this state upon filing with the

commissioner a duly certified copy of its charter or articles of incorporation, a copy of its constitution and laws, certified by its secretary, or corresponding officer, a power of attorney to the commissioner as hereinafter provided, a statement of its business under oath of its president and secretary, or corresponding officers, in the form required by the commissioner, duly verified by an examination made by the supervising insurance official of its home state or other state satisfactory to the commissioner of insurance of this state, a certificate from the proper official in its home state, province, or country, that the society is legally incorporated and licensed to transact business therein, copies of its certificate forms, and upon furnishing the commissioner with such other information as [~~he~~] ***the commissioner*** may deem necessary to a proper exhibit of its business and plan of working, and upon showing that its assets are invested in accordance with the laws of the state, territory, district, province, or country where it is organized, the commissioner shall issue a license to such society to do business in this state until the succeeding [~~April 1~~] ***June 14***, and such license shall, upon compliance with the provisions of this chapter, be renewed annually, but in all cases shall terminate on the succeeding [Ap~~ril 1~~] ***June 14***; provided, however, that the license shall continue in full force and effect until the new license shall be issued or specifically refused. Any foreign society desiring admission to this state shall have the qualifications required of domestic societies organized under this chapter and have its assets invested as required by the laws of the state, territory, district, country or province where it is organized. For each such license or renewal, the society shall pay the commissioner $100. If the commissioner refuses to license any society, or revokes its authority to do business in this state, [~~he~~] ***the commissioner*** shall reduce his ***or her*** ruling, order or decision to writing and file the same in his ***or her*** office, and shall furnish a copy thereof, together with a statement of his ***or her*** reasons therefor, to the secretary, or other corresponding officer, of the society. Nothing contained in this chapter shall be taken or construed as preventing any such society from continuing in good faith all contracts made in this state during the time such society was legally authorized to transact business herein.

4 Health Service Corporations; Expiration Date of License Changed. Amend RSA 420-A:4, VI to read as follows:

VI. All such licenses shall expire on [~~April 1~~] ***June 14***, but may be renewed upon payment of the annual license fee.

5 Effective Date. This act shall take effect 60 days after its passage.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # SB 351 Date 4-4-00

Committee _____

**** Please Print All Information ****

Name	Address	Phone	Representing	(check one) Pro	Con

Hearing Minutes

HOUSE COMMITTEE ON COMMERCE

PUBLIC HEARING ON SB 351

BILL TITLE: making certain changes in the laws relative to fraternal benefit societies and health service corporations.

DATE: April 04, 2000

LOB ROOM: 302 **Time Public Hearing Called to Order:** 10:30am

Time Adjourned: 10:47am

(please circle if present)

Committee Members: Reps. (Hunt,) Francoeur, Herman, Tsiros, Belanger, (McGough,) Kenney, Langley, Pappas, (Avery,) Dalianis, DiFruscia, (Marshall,) M. Clark, (Crosby,) (R. Russell,) T. Reardon, Vachon, Taylor, Curran, Garrish and (Keye.)

Bill Sponsors: Sen. Fraser, Sen. J. King, Sen. D'Allesandro

TESTIMONY

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

Sen. Fraser – Sponsor. This bill makes clarifications in the law regarding fraternal benefit societies. Three things: 1) Insurance Department – greater flexibility in investigations. 2) Gender neutral. 3) Fraternal Society – lets them be more flexible in how they invest their funds.

Steven Lauwers, Asst. Commissioner, Insurance Department - supports. Old law became archaic – Fraternal Benefit Society. Mostly started out as social organizations and now are risk bearing organizations. Most of their assets are based to the insurance component – Association Canadian/American.

Respectfully submitted,

Stephen G. Avery, Clerk

HOUSE COMMITTEE ON COMMERCE

PUBLIC HEARING ON Sb 351

BILL TITLE: relative to certain employment requirements for liquor licensees.

DATE: April 4, 2000

LOB ROOM: 302 Time Public Hearing Called to Order: 10:30 AM

Time Adjourned: 10:47 AM

(please circle if present)

Committee Members: Reps. Hunt, Herman, Tsiros, Belanger, Francoeur, McGough, Pappas, Avery, Kenny, Langley, Dalianis, DiFruscia, Marshall, M. Clark, Crosby, Russell, T. Reardon, Vachon, Garrish, Taylor, Curran and Keye.

Bill Sponsors: Sens. Fraser, King, and D'Allessandro

TESTIMONY

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

Sen. Fraser - Sponsor. This bill makes clarifications in the law regarding fraternal benefit societies. Three things. (1) Ins. Dept. - greater flexibility in investigations. (2) Gender neutral. (3) Friend Society. - lets them be more flexible in how they invest their funds.

Steven Lauwers - Ins. Dept. Supports. Old law became archaic - Fraternal Benefit Society. mostly started out as social organizations and now are risk bearing organizations. Most of their assets are based to the insurance component. Association Canadian/America.

Senate Bill 351 – Fraternal Benefit Societies
House Commerce Committee April 4, 2000

Talking Points

Senator Fraser:

- Senate Bill 351 is a request of the Insurance Department.
- Section 1 gives fraternal benefit societies greater flexibility when investing funds.
- Section 2 alines the licensing date of fraternal benefit societies with other company licensees.
- Section 3 of Senate Bill 351 similarly adjusts the licensing expiration date for fraternals to correspond with Section2 and makes gender neutral amendments to that section.

(sb351tlkpts.doc)

Sub-Committee Actions

HOUSE COMMITTEE ON CRIMINAL JUSTICE AND PUBLIC SAFETY

SUBCOMMITTEE WORK SESSION ON SB 351

BILL TITLE: making certain changes in the laws relative to fraternal benefit societies and health service corporations.

DATE: April 25, 2000

Subcommittee Members: Reps. Avery, Kenney and Keye

Comments and Recommendations:

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

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

Moved by Rep. Kenney

Seconded by Rep. Keye

Vote: 3-0

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

Moved by Rep.

Seconded by Rep.

Vote:

Respectfully submitted,

Rep. Stephen G. Avery
Subcommittee Chairman/Clerk

HOUSE COMMITTEE ON COMMERCE

SUBCOMMITTEE WORK SESSION ON SB 351

BILL TITLE: **making certain changes in the laws relative to fraternal benefit societies and health service corporations.**

DATE: ~~(Type DATE here)~~ April 25, 2000

Subcommittee Members: Reps. Avery - Kenny - Keye.

Comments and Recommendations:

Amendments:

Sponsor: Rep. _____ OLS Document #: _____ Adopted/Failed

Sponsor: Rep. _____ OLS Document #: _____ Adopted/Failed

Sponsor: Rep. _____ OLS Document #: _____ Adopted/Failed

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

Moved by Rep. Kenny

Seconded by Rep. Keye

Vote: 3-0

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

Moved by Rep. _____

Seconded by Rep. _____

Vote: _____

Respectfully submitted,

Rep. Stephen S. Avery

Voting Sheets

HOUSE COMMITTEE ON COMMERCE

EXECUTIVE SESSION on SB 351

BILL TITLE: **making certain changes in the laws relative to fraternal benefit societies and health service corporations.**

DATE: April 27,2000

LOB ROOM: 302

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

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

Moved by Rep. Avery

Seconded by Rep. Kenney

Vote: 12-0 (Please attach record of roll call vote.)

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

Moved by Rep.

Seconded by Rep.

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

CONSENT CALENDAR VOTE: 12-0/Yes

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

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Stephen G. Avery, Clerk

HOUSE COMMITTEE ON COMMERCE

EXECUTIVE SESSION on SB 351

BILL TITLE: **making certain changes in the laws relative to fraternal benefit societies and health service corporations.**

DATE:

LOB ROOM:

Amendments:

Sponsor: Rep. _____ OLS Document #: _____ Adopted/Failed

Sponsor: Rep. _____ OLS Document #: _____ Adopted/Failed

Sponsor: Rep. _____ OLS Document #: _____ Adopted/Failed

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

Moved by Rep. Kevin Avery

Seconded by Rep. Peggy Kennedy

Vote: ~~3-0~~ 12-0 (Please attach record of roll call vote.)

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

Moved by Rep. _____

Seconded by Rep. _____

Vote: _____ (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 12-0

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

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Stephen G. Avery, Clerk

OFFICE OF THE HOUSE CLERK

2000 SESSION

COMMERCE

Bill #: 351 Title: _____

PH Date: ___/___/___ Exec Session Date: 4/27/00

Motion: OTP Amendment #: _____

MEMBER	YEAS	NAYS
Hunt, John B, Chairman		
Francoeur, Sheila T, V Chairman	✓	
Herman, Keith R		
Tsiros, William B		
Belanger, Ronald J		
McGough, Tim S	✓	
Avery, Stephen G, Clerk	✓	
Kenney, Joseph D	✓	
Langley, Jane S	✓	
Pappas, Marc P		
Dalianis, Griffin T	✓	
DiFruscia, Anthony R		
Marshall, Gene B	✓	
Clark, Martha Fuller	✓	
Crosby, Toni M		
Russell, Ronald G	✓	
Reardon, Tara G	✓	
Vachon, Dennis P		
Taylor, Kathleen N		
Curran, James C		
Garrish, Linda L	✓	
Keye, Harvey	✓	
TOTAL VOTE:	12	0

Printed: 12/30/1999

Committee Report

COMMITTEE REPORT

COMMITTEE: **Commerce**

BILL NUMBER: **SB 351**

TITLE: making certain changes in the laws relative to fraternal benefit societies and health service corporations.

DATE: April 27, 2000 CONSENT CALENDAR YES ☒ NO ☐

☒ OUGHT TO PASS

☐ OUGHT TO PASS WITH AMENDMENT

☐ INEXPEDIENT TO LEGISLATE

☐ RE-REFER

☐ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

This bill makes certain clarifications in the law regarding fraternal benefit societies. It will give the Insurance Department greater flexibility in investigations makes the law gender neutral and allows the fraternal society to be more flexible in how they invest their funds. This bill also changes the expiration date on licenses issued to health service corporations from April 1st to June 14th. The bill is supported by the Insurance Department.

Vote 12-0.

Rep. Stephen G. Avery
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

CONSENT CALENDAR

Commerce

SB 351, making certain changes in the laws relative to fraternal benefit societies and health service corporations. OUGHT TO PASS

Rep. Stephen G. Avery for Commerce: This bill makes certain clarifications in the law regarding fraternal benefit societies. It will give the Insurance Department greater flexibility in investigations makes the law gender neutral and allows the fraternal society to be more flexible in how they invest their funds. This bill also changes the expiration date on licenses issued to health service corporations from April 1st to June 14th. The bill is supported by the Insurance Department. Vote 12-0.