CHAPTER 68
HB 1389 - FINAL VERSION

12Apr2018... 1423-EBA

2018 SESSION

18-2430
01/06

HOUSE BILL ***1389***

AN ACT **relative to commercial lines modernization.**

SPONSORS: **Rep. Hunt, Ches. 11; Rep. Hinch, Hills. 21**

COMMITTEE: **Commerce and Consumer Affairs**

ANALYSIS

This bill clarifies certain provisons of the law relating to regulation of forms for property and casualty insurance and the filing of aircraft insurance policies.

This bill is a request of 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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eighteen

AN ACT relative to commercial lines modernization.

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

68:1 Regulation of Forms and Rates; Property and Casualty Insurance; Definitions. Amend RSA 412:3, XI(a)(4) to read as follows:

(4) Aggregate property and casualty insurance premiums, excluding workers' compensation, medical malpractice, life, health, and disability insurance premiums of [~~$50,000~~] *$25,000* or more.

68:2 New Paragraph; Regulation of Forms and Rates; Property and Casualty Insurance; Approval of Form. Amend RSA 412:5 by inserting after paragraph I the following new paragraph:

I-a. Except as otherwise provided in this section:

(a) Forms for the following types of commercial insurance shall be exempt from the 30-day waiting period requirement of paragraph I and shall instead be filed for informational and auditing purposes only:

(1) Fidelity.

(2) Boiler and machinery.

(3) Kidnap and ransom.

(4) Political risk and expropriation.

(5) Excess and umbrella liability.

(6) Directors' and officers' liability.

(7) Fiduciary liability.

(8) Employment practices liability.

(9) Errors and omissions and professional liability other than medical malpractice.

(10) Media liability.

(11) Product liability, product recall, and completed operations.

(12) Highly protected commercial property.

(13) Commercial flood insurance other than the National Flood Insurance Program.

(14) Any other commercial lines of insurance coverage or risk that the commissioner shall, pursuant to regulation, exempt from policy form filing requirements in order to promote enhanced competition or to more effectively use the resources of the

department.

(b) All other standards in paragraph I shall apply to forms that are filed for information and audit purposes under this paragraph.

(c) Subparagraph (a) shall not apply to the insurance listed under subparagraphs (a)(1)- (11) when:

(1) The commissioner has determined that a reasonable degree of competition does not exist for that type of insurance, and a ruling has been issued to that effect in accordance with RSA 412:13; or

(2) The policy form for that type of insurance is issued by a risk sharing plan established under RSA 404-C.

68:3 Filing of Aircraft Insurance Policies. Amend RSA 412-A:1 to read as follows:

412-A:1 Policies to be Filed With Commissioner. Every insurance company which issues insurance on hulls of aircraft, including their accessories and equipment, and liability resulting from the ownership, use or maintenance of aircraft shall file with the insurance commissioner *for informational and auditing purposes* a copy of the form of the policy containing the insurance contract covering such losses and all printed endorsements that may be attached thereto. [~~An insurance company authorized to insure against such losses shall not issue a policy covering such losses until 30 days after it has filed the form of the policy, unless the commissioner sooner gives written approval of the policy.~~] *As part of the audit process, the commissioner may disapprove any form if it contains a provision that does not comply with the requirements of law, is not in the public interest, is contrary to public policy, is inequitable, misleading, deceptive, or encourages misrepresentation of such policy.*

68:4 Effective Date. This act shall take effect 60 days after its passage.

Approved: May 25, 2018
Effective Date: July 24, 2018