

CHAPTER 211
SB 204 - FINAL VERSION

4May2022... 1347h

2022 SESSION

22-2919
11/04

SENATE BILL

204

AN ACT relative to the definition of "covered claim" for purposes of the New Hampshire insurance guaranty association act.

SPONSORS: Sen. Gannon, Dist 23; Sen. Reagan, Dist 17; Sen. Soucy, Dist 18; Rep. Edwards, Rock. 4; Rep. Piemonte, Rock. 4

COMMITTEE: Commerce

ANALYSIS

This bill modifies the definition of "covered claim" for purposes of the New Hampshire insurance guaranty association act.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Twenty Two

AN ACT relative to the definition of "covered claim" for purposes of the New Hampshire insurance guaranty association act.

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

211:1 New Hampshire Insurance Guaranty Association Act; Definitions; Covered Claim. Amend RSA 404-H:5, IX to read as follows:

IX.(a) "Covered claim" means an unpaid claim, including one for unearned premiums submitted by a claimant, which arises out of and is within the coverage and is subject to the applicable limits of an insurance policy to which this chapter applies issued by an insurer, if such insurer after the effective date of this chapter becomes an insolvent insurer, and:

(1) The claimant or insured is a resident of this state at the time of the insured event; provided that for entities other than an individual, the residence of a claimant or insured is the state in which its principal place of business is located at the time of the insured event; or

(2) The claim is a first party claim for damage to property with a permanent location in this state.

(b) *"Covered claim" includes obligations that arose through the issuance of an insurance policy by a member insurer, which are later allocated, transferred, assumed by, or otherwise made the sole responsibility of a member or non-member insurer if:*

(1) There are no remaining obligations of the original member insurer after the transfer; and

(2) The insurer that assumed the member's coverage obligations becomes insolvent and goes into liquidation proceedings.

(c) "Covered claim" shall not include:

(1) Any amount awarded as punitive or exemplary damages;

(2) Any amount sought as a return of premium under any retrospective rating plan; [or]

(3) Any claim by or for the benefit of any reinsurer, insurer, insurance pool, or underwriting association, as subrogation recoveries, reinsurance recoveries, contribution, indemnification or otherwise. No claim for any amount by or for the benefit of any reinsurer, insurer, insurance pool, or underwriting association may be asserted against a person insured under a policy issued by an insolvent insurer other than to the extent such claim exceeds the limitations on the association's obligations set forth in RSA 404-H:8, I(a)(1)(B) of this chapter[-]; or

(4) Any claim arising out of an insurance policy issued by a non-member insurer and later allocated, transferred, assumed by, or otherwise made the sole responsibility of a member insurer.

211:2 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 17, 2022
Effective Date: August 16, 2022