

Senate Commerce Committee

Aaron Jones 271-4063

HB 299, relative to responsibilities of the insurance department.

Hearing Date: April 20, 2021

Time Opened: 9:07 a.m.

Time Closed: 9:12 a.m.

Members of the Committee Present: Senators French, Gannon, Soucy and Cavanaugh

Members of the Committee Absent : Senator Bradley

Bill Analysis: This bill clarifies certain responsibilities of the insurance department.

The bill is a request of the insurance department.

Sponsors:

Rep. Potucek

Who supports the bill: Representative John Potucek, Representative Will Infantine (NH Insurance Agents Association), Emily Doherty (NH Insurance Department), Christian Citarella (NH Insurance Department), Marty Mobley (NH Insurance Department), George Roussos (NH Association of Domestic Insurance Companies & American Property Casualty Insurance Association), James Hatem (State Farm Insurance Companies)

Who opposes the bill: No one

Who is neutral on the bill: No one

Summary of testimony presented in support:

Representative John Potucek

- This bill was filed at the request of the Insurance Department.
- It unanimously passed the House Commerce Committee, and it was placed on the consent calendar.
- This bill would make numerous changes to the laws that govern property and casualty (P&C) insurance.
 - First, the motor vehicle liability statute would be simplified through language changes.

- Second, an insured would be able to request a commercial P&C policy be canceled.
- Third, the definition of third-party administrators would be modified to include P&C administrators, while removing workers' compensation administrators.
- Fourth, forms and rates filed for informational purposes would be held confidential until they're in effect.
- Fifth, insurers would be allowed to include fees for unanticipated costs incurred by personal lines policies.
- Finally, the excess insurance exemption would be removed from RSA 417-B:1.

Emily Doherty, Property & Casualty Attorney, New Hampshire Insurance Department

- Attorney Doherty reiterated many of the changes being proposed to the laws governing P&C insurance.
 - RSA 264:18, which pertains to motor vehicle liability, would be amended to include paragraph labels to help make the statute easier to read.
 - RSA 417-C:1, which is the P&C commercial lines cancellation statute, would make a policy cancellation request from an insured a basis for a policy cancellation.
 - This change would be consistent with the P&C personal lines cancellation statute.
 - RSA 402-H:1, which is the third party administrators statute, would be reworded to include third party P&C administrators, while removing third party workers' compensation administrators.
 - RSA 400-A:15-f would be amended to clarify that forms and rates, which are filed for informational purposes, would remain confidential until they're effective.
 - RSA 412:15 would be amended to clarify that fees incurred by unanticipated costs could be recovered by insurers. Additionally, the statute would clarify that any unearned premiums from a personal lines insurance could be returned to an insured.
 - Finally, as previously stated, the excess insurance exemption in RSA 417-B:1 would be removed.

Summary of testimony presented in opposition: None

Neutral Information Presented: None