

CHAPTER 143
SB 207 - FINAL VERSION

2022 SESSION

22-2928
11/08

SENATE BILL ***207***

AN ACT relative to administrative fee credit for insurance company external review.

SPONSORS: Sen. French, Dist 7; Sen. Hennessey, Dist 1; Sen. Reagan, Dist 17; Sen. Avar, Dist 12; Sen. Gannon, Dist 23; Sen. Carson, Dist 14; Sen. Soucy, Dist 18; Rep. Hunt, Ches. 11; Rep. Potucek, Rock. 6

COMMITTEE: Commerce

ANALYSIS

This bill clarifies that the cost of any external review of insurance companies is credited towards the administrative fee for a company in the subsequent year.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT relative to administrative fee credit for insurance company external review.

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

1 143:1 Insurance Department; Staff. Amend RSA 400-A:10, III to read as follows:

2 III. If necessary to ensure the timely review of rates and forms submitted for approval under title
3 XXXVII, the commissioner may retain, without appropriation under RSA 9 and without qualifying as a
4 department expenditure under RSA 4:15, independent actuaries or other professionals or specialists as
5 reviewers, the cost of which shall be borne by the regulated entity whose rates or forms are the subject of
6 the review. The entity shall pay the retained professional or specialists directly for their costs. The
7 commissioner shall conduct oversight of such independent reviewers in a manner that is consistent with
8 standards for the use of independent reviewers established by the National Association of Insurance
9 Commissioners in its Financial Condition Examiners Handbook and Market Regulation Handbook and
10 shall ensure that costs are reasonable for the work performed. The amount paid by the company under
11 this paragraph in any fiscal year shall be applied as a nontransferable credit against *and to the extent of*
12 the company's administrative fee under RSA 400-A:39 in the subsequent fiscal year and ~~[shall carry~~
13 ~~forward in future fiscal years as applicable]~~ *not thereafter.*

14 143:2 Insurance Department; Annual Financial Statement. Amend RSA 400-A:36, X to read as
15 follows:

16 X. The commissioner may retain, without appropriation under RSA 9 and without qualifying as a
17 department expenditure under RSA 4:15, attorneys, independent actuaries, independent certified public
18 accountants, or other professionals or specialists to review financial statements, the cost of which shall be
19 borne by the company which is the subject of the financial analysis. The company shall pay the retained
20 professional or specialists directly for their costs. The commissioner shall conduct oversight of such
21 independent reviewers in a manner that is consistent with standards for the use of independent reviewers
22 established by the National Association of Insurance Commissioners in its Financial Condition Examiners
23 Handbook and Market Regulation Handbook and shall ensure that costs are reasonable for the work
24 performed. The amount paid by the company under this paragraph in any fiscal year shall be applied as a
25 nontransferable credit against *and to the extent of* the company's administrative fee under RSA 400-A:39
26 in the subsequent fiscal year and ~~[shall carry forward in future fiscal years as applicable]~~ *not thereafter.*

27 143:3 Own Risk and Solvency Assessment; Contents of ORSA Summary Report. Amend RSA 401-
28 C:7, II to read as follows:

29 II. The review of the ORSA summary report, and any additional requests for information, shall be
30 made using similar procedures currently used in the analysis and examination of multi-state or global
31 insurers and insurance groups. To assist in the review of ORSA summary reports, the commissioner may
32 retain, without appropriation under RSA 9 and without qualifying as a department expenditure under RSA

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1 4:15, attorneys, appraisers, independent actuaries, independent certified public accountants, or other
2 professionals and specialists, the cost of which shall be borne by the company subject to such review.
3 The company shall pay the retained professional or specialists directly for their costs. The commissioner
4 shall conduct oversight of such independent reviewers in a manner that is consistent with standards for
5 the use of independent reviewers established by the National Association of Insurance Commissioners in
6 its Financial Condition Examiners Handbook and Market Regulation Handbook and shall ensure that
7 costs are reasonable for the work performed. The amount paid by the company under this paragraph in
8 any fiscal year shall be applied as a nontransferable credit against *and to the extent of* the company's
9 administrative fee under RSA 400-A:39 in the subsequent fiscal year and ~~[shall carry forward in future~~
10 ~~fiscal years as applicable]~~ *not thereafter*.

143:4 Effective Date. This act shall take effect 60 days after its passage.

Approved: June 07, 2022
Effective Date: August 06, 2022