

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1690
94TH GENERAL ASSEMBLY

Reported from the Committee on Financial and Governmental Organizations and Elections, April 14, 2008, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

4031S.07C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 379.118, RSMo, and to enact in lieu thereof three new sections relating to the transmission of insurance-related information in specific formats.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 379.118, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 374.056, 374.057, and 379.118, to read as follows:

374.056. Except as limited by section 375.922, RSMo, the director may promulgate rules establishing the specific type of delivery method for submissions of rate and form filings, rules, license applications, including materials requested in the course of a financial or market conduct examination, which are required to be submitted to the department under state law. Types of delivery methods shall be web-based interface systems such as the System for Electronic Rate Form Filing (SERFF), the National Insurance Producer Registry (NIPR), and the National Association of Insurance Commissioners' Internet-State Interface Technology Enhancement (I-SITE). Such rules may only apply to insurance companies, producers, health maintenance organizations, and any other person or entity regulated by the department under this chapter, and chapters 287, 325, 354, and 375 to 385, RSMo, or a rule adopted thereunder. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if

18 applicable, section 536.028, RSMo. This section and chapter 536, RSMo,
19 are nonseverable and if any of the powers vested with the general
20 assembly pursuant to chapter 536, RSMo, to review, to delay the
21 effective date, or to disapprove and annul a rule are subsequently held
22 unconstitutional, then the grant of rulemaking authority and any rule
23 proposed or adopted after August 28, 2008, shall be invalid and void.

374.057. The filing of records and signatures is authorized, when
2 specified under this chapter, or chapters 287, 325, 354, and 375 to 385,
3 RSMo, or a rule adopted thereunder, when carried out in a manner
4 consistent with Section 104(a) of the federal Electronic Signatures in
5 Global and National Commerce Act, 15 U.S.C. Section 7004(a). This
6 section modifies, limits, and supersedes the federal Electronic
7 Signatures in Global and National Commerce Act, but does not modify,
8 limit, or supersede Section 101(c) of the federal Electronic Signatures
9 in Global and National Commerce Act, 15 U.S.C. Section 7001(c), or
10 authorize the electronic delivery of any of the notices described in
11 Section 103(b) of the federal Electronic Signatures in Global and
12 National Commerce Act, 15 U.S.C. Section 7003(b).

379.118. 1. If any insurer proposes to cancel or to refuse to renew a policy
2 of automobile insurance delivered or issued for delivery in this state except at the
3 request of the named insured or for nonpayment of premium, it shall, on or before
4 thirty days prior to the proposed effective date of the action, send written notice
5 by certificate of mailing of its intended action to the named insured at his last
6 known address. The notice shall state:

- 7 (1) The proposed action to be taken;
- 8 (2) The proposed effective date of the action;
- 9 (3) The insurer's actual reason for proposing to take such action, the
10 statement of reason to be sufficiently clear and specific so that a person of
11 average intelligence can identify the basis for the insurer's decision without
12 further inquiry. Generalized terms such as "personal habits", "living conditions",
13 "poor morals", or "violation or accident record" shall not suffice to meet the
14 requirements of this subdivision;
- 15 (4) That the insured may be eligible for insurance through the assigned
16 risk plan if his insurance is to be canceled.

17 2. An insurer shall send an insured written notice of an automobile policy
18 renewal at least fifteen days prior to the effective date of the new policy. The

19 notice shall be sent by first class mail **or may be sent electronically if**
20 **requested by the policyholder**, and shall contain the insured's name, the
21 vehicle covered, the total premium amount, and the effective date of the new
22 policy. **Any request for electronic delivery of renewal notices shall be**
23 **designated on the application form signed by the applicant, made in**
24 **writing by the policyholder, or made in accordance with sections**
25 **432.200 to 432.295, RSMo. The insurer shall comply with any**
26 **subsequent request by a policyholder to rescind authorization for**
27 **electronic delivery and to elect to receive renewal notices by first class**
28 **mail. Any delivery of a renewal notice by electronic means shall not**
29 **constitute notice of cancellation of a policy even if such notice is**
30 **included with the renewal notice.**

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