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# HOUSE BILL

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**HOUSE BILL** 0404

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AN ACT to create W.S. 26-3-301 through 26-3-308 relating to insurance; requiring reports from property and casualty insurers; specifying data reporting requirements; specifying applicability of article; specifying insurance department reporting requirements; granting rulemaking authority; providing penalties; and providing for an effective date.

Introduced by: Don Sullivan

[illegible]

**CONTINUED ON BACK**

House of Intro  
 To Com. No. \_\_\_\_\_  
 Stand Report Do      Amd      Not       
 Com Whole Do      Amd      Not       
 2nd Reading Amd       
 3rd Reading Amd      Pass      Fail     

Second House  
 To Com No. \_\_\_\_\_  
 Stand Report Do      Amd      Not       
 Com Whole Do      Amd      Not       
 2nd Reading Amd       
 3rd Reading Amd      Pass      Fail     

1991

STATE OF WYOMING

91LSO-0845.01

HOUSE BILL NO. 0404

Insurance Sunshine Act.

Sponsored by: Representative(s) DON SULLIVAN

A BILL

for

1 AN ACT to create W.S. 26-3-301 through 26-3-308 relating  
 2 to insurance; requiring reports from property and casualty  
 3 insurers; specifying data reporting requirements; specify-  
 4 ing applicability of article; specifying insurance depart-  
 5 ment reporting requirements; granting rulemaking author-  
 6 ity; providing penalties; and providing for an effective  
 7 date.

8 Be It Enacted by the Legislature of the State of Wyoming:

9 Section 1. W.S. 26-3-301 through 26-3-308 are created  
 10 to read:

11 ARTICLE 3

1 INSURANCE INFORMATION ACT

2 26-3-301. Short title. This act is known and may be  
3 cited as the "Insurance Information Act of 1991".

4 26-3-302. Applicability.

5 (a) This article does not apply to:

6 (i) Home owner's property insurance;

7 (ii) Private passenger automobile and other  
8 motor vehicle liability or collision insurance, or both.

9 26-3-303. Reporting of insurance data. Notwithstand-  
10 ing any other provision of this code, not later than  
11 December 15, 1991, the department shall promulgate rules  
12 and regulations requiring each insurer licensed to write  
13 property or casualty insurance in this state to record and  
14 report its loss and expense experience and other data as  
15 required by W.S. 26-3-305. The department shall require  
16 each insurer licensed to write property or casualty insur-  
17 ance in this state, as a supplement to its annual state-  
18 ment to submit a report, on a form furnished by the  
19 department, showing its direct writings in this state and  
20 the United States.

1       26-3-304. Types of insurance.

2       (a) The supplemental report required by W.S. 26-3-303  
3 shall include, but not be limited to, the following spe-  
4 cific types of insurance, which shall be shown separately,  
5 written by each insurer:

6               (i) Political subdivision liability insurance  
7 reported separately in the following categories:

8                       (A) Cities, towns and counties;

9                       (B) School districts; and

10                      (C) Other special districts and authori-  
11 ties.

12               (ii) Public official liability insurance;

13               (iii) Dram shop liability insurance;

14               (iv) Day care center liability insurance;

15               (v) Errors and omissions liability insurance;

16               (vi) Officers and directors liability insurance  
17 reported separately as follows:

18                      (A) Nonprofit entities; and

1 (B) For-profit entities.

2 (vii) Products liability insurance;

3 (viii) Recreational liability insurance;

4 (ix) Medical malpractice insurance;

5 (x) Legal malpractice insurance;

6 (xi) Architectural and engineering malpractice  
7 insurance;

8 (xii) Certified public accounting malpractice  
9 insurance.

10 26-3-305. Data required.

11 (a) The supplemental report shall include the follow-  
12 ing data, both specific to this state and also to the  
13 United States, by the type of insurance for the immedi-  
14 ately preceding calendar year:

15 (i) Direct premiums written;

16 (ii) Net premiums written;

17 (iii) Direct premiums earned;

18 (iv) Net premiums earned;

1           (v) Net investment income nationwide, including  
2 net realized capital gains and losses, using appropriate  
3 estimates if necessary, showing the amount of that net  
4 investment income allocated to Wyoming and the basis of  
5 the allocation;

6           (vi) Incurred claims data, including separate  
7 figures for the following and a sum of the following:

8                   (A) Dollar amount of claims closed with  
9 payment; plus

10                   (B) Reserves for reported claims at the end  
11 of current calendar year; minus

12                   (C) Reserves for reported claims at the end  
13 of the immediately preceding calendar year; plus

14                   (D) Reserves for incurred but not reported  
15 claims at the end of the current calendar year; minus

16                   (E) Reserves for incurred but not reported  
17 claims at the end of the immediately preceding calendar  
18 year; plus

19                   (F) Loss adjustment expenses paid; plus

20                   (G) Reserves for loss adjustment expenses

1 at the end of the current calendar year; minus

2 (H) Reserves for loss adjustment expenses  
3 at the end of the immediately preceding calendar year.

4 (vii) Actual incurred expenses allocated sepa-  
5 rately to commissions, other acquisition costs, general  
6 expenses, taxes, licenses and fees, and all other  
7 expenses;

8 (viii) Net underwriting gain or loss;

9 (ix) Net operating gain or loss, including net  
10 investment income;

11 (x) The number and dollar amount of claims  
12 closed with payment by year, year incurred and the amount  
13 reserved for these claims;

14 (xi) The number of claims closed without payment  
15 and the total dollar amount reserved for those claims;

16 (xii) Any other information requested by the  
17 commissioner and necessary to carry out the purposes of  
18 this article.

19 (b) The commissioner shall develop rules and regula-  
20 tions to implement this article that shall include:

1           (i) Provisions for assure the confidentiality of  
2 the data with regard to information relevant to individual  
3 claims; and

4           (ii) Standard and uniform definitions and forms  
5 for information required to be submitted to the depart-  
6 ment.

7           (c) In addition to the data requirements of subsec-  
8 tion (a) of this section, the commissioner, by rule and  
9 regulation, may also adopt any insurance data reporting  
10 requirements appropriate to carry out the purposes of this  
11 article.

12           26-3-306. Department report; distribution; require-  
13 ments; disclosure.

14           (a) Annually, not later than November 1, the depart-  
15 ment shall issue a report which summarizes the information  
16 reported under W.S. 26-3-305 as analyzed and compiled in  
17 accordance with subsection (c) of this section.

18           (b) Copies of the report required by this section  
19 shall be available upon request to the public at the cost  
20 of printing.

21           (c) The information reported under W.S. 26-3-305



1 shall be compiled and analyzed on a state and national  
2 basis as follows:

3 (i) For each class of business conducted in the  
4 state;

5 (ii) For any differences among insurance compa-  
6 nies in coverage of similar classes or business;

7 (iii) For any other cost or class relationship  
8 the department deems necessary and appropriate to the pur-  
9 poses of this article.

10 26-3-307. Regulation.

11 (a) Within three (3) months following the effective  
12 date of this article the department shall:

13 (i) Issue a list of standard classes of business  
14 and of standard units of exposure for which any commercial  
15 insurance company shall report data under this article;  
16 and

17 (ii) Hold hearings inviting all interested par-  
18 ties to attend for the purpose of developing a reporting  
19 form to be used by commercial insurance companies to carry  
20 out the purposes of this article.

1        26-3-308. Penalty. Each insurer who is required to  
2 file the report provided for in this act and who does not  
3 timely file the report or who willfully files an incom-  
4 plete or inaccurate report shall be subject to a fine in  
5 an amount not to exceed two thousand five hundred dollars  
6 (\$2,500.00) per day of noncompliance. The fine shall be  
7 assessed and collected by the commissioner, following his  
8 determination that the report has not been timely filed or  
9 has been willfully filed incomplete or inaccurate. Upon  
10 request of any insurer against whom penalties have been  
11 assessed, an adjudicatory hearing on the matter shall be  
12 held in accordance with the Wyoming Administrative Proce-  
13 dure Act.

14 Section 2. This act is effective July 1, 1991.

15 (END)

FISCAL NOTE

<u>Anticipated REVENUE to:</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL ESTIMATED REVENUE	_____	_____	_____

<u>Anticipated COST to:</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL ESTIMATED COST	_____	_____	_____

<u>Anticipated SAVINGS to:</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL ESTIMATED SAVINGS	_____	_____	_____

<u>Anticipated Change in Personnel:</u>	<u>FY 1992</u>	<u>FY 1993</u>	<u>FY 1994</u>
Full-Time	_____	_____	_____
Part-Time	_____	_____	_____
Temporary	_____	_____	_____
Time-Limited, Other	_____	_____	_____
TOTAL PERSONNEL IMPACT	_____	_____	_____

A fiscal or personnel impact is indicated. However, time before bill introduction deadline is not sufficient for in-depth analysis.

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