45th Legislature

LC 0993/01

INTRODUCED B Jee Nearly mehren Stores 1 2

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION 5 40-3654, R.C.M. 1947, TO REQUIRE RATES TO BE FILED WITH THE 6 INSURANCE CONMISSIONER; AND TO AMEND SECTION 40-4410, R.C.M. 7 1947, TO REQUIRE RETENTION BY INSURERS FOR 1 YEAR OF A 8 NOTICE OF CANCELLATION, INTENTION NOT TO RENEW, OR REASONS 9 FOR CANCELLATION OF CERTAIN INSURANCE POLICIES."

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 Section 1. Section 40-3654, R.C.M. 1947, is amended to

13 read as follows:

#40-3654. Maintenance of records -necessity--14 contents--compliance--with--section--place--of---maintenance 15 rates to be filed. (1) Every insurer, rating organization or 16 advisory organization, and every group, association or other 17 organization of insurers which engages in joint underwriting 18 or joint reinsurance shall maintain reasonable records, of 19 the type and kind reasonably adapted to its method of 20 operation, of its experience or the experience of its 21 members, and of the data, statistics or information Z 2 collected or used by it in connection with the rates, rating 23 plans, rating systems, underwriting rules, policy or bond 24 forms, surveys or inspections made or used by it, so that 25

INTRODUCED BILL

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1 such records will be available at all reasonable times to 2 enable the commissioner to determine whether such а organization, insurer, group or association, and, in the case of an insurer or rating organization, every rate, rating plan and rating system made or used by it, complies 5 6 with the provisions of this chapter applicable to it. The 7 maintenance of such records in the office of a licensed rating organization of which an insurer is a member or 8 9 subscriber will be sufficient compliance with this section 10 for any insurer maintaining membership or subscribership in 11 such organization, to the extent that the insurer uses the 12 rates, rating plans, rating systems or underwriting rules of 13 such organization. Such records shall be maintained in an 14 office within this state or shall be made available for 15 examination or inspection within this state by the 16 commissioner at any time upon reasonable notice. 17 (2) Every insurer shall in addition file with the commissioner all rates that the insurer uses within this 18 19 state." 20 Section 2. Section 40-4410, R.C.M. 1947, is amended to read as follows: 21 22 #40-4410. Proof Retention and proof of notice. (1) A 23 notice of cancellation or of intention not to renew or of

reasons for cancellation of insurance issued under terms of

this chapter shall be retained for a period of 3 years by

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LC 0993/01

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SB 306

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1	the insurer in an office within this state, or shall be made
2	available_within this_state_for_examination_or_inspection_by
3	the commissioner or his agents at any time upon reasonable
4	notice. or both
5	[2] Proof of mailing of notice of cancellation, or of
6	intention not to renew or of reasons for cancellation, to
7	the named insured at the address shown in the policy or to
8	the 'named insured's latest known address, shall be
9	sufficient proof of notice."

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SS 0305/03

SB 0306/03

SENATE BILL NO. 306	1	such
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	ć	orgai
A BILL FOR AN ACT ENTITLED: *AN ACT TO AMEND SECTION	4	case
40-3654, R.C.M. 1947, TU REQUIRE RATES TO BE FILED WITH THE	5	ratii
INSURANCE COMMISSIONER; AND TO AMEND SECTION 40-4410, R.C.M.	6	with
1947, TO REQUIRE RETENTION BY INSURERS FOR ± <u>3 YEAR YEARS</u> OF	7	maint
A NUTICE OF CANCELLATION, INTENTION NOT TO RENEW, OR REASONS	8	ratin
FOR CANCELLATION OF CERTAIN INSURANCE POLICIES."	9	subse
	10	for a
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	such
Section 1. Section 40-3654, R.C.M. 1947, is amended to	12	rate
read as follows:	13	such
"40-3654• Maintenance of records necessity	14	offic
contentscompliancewithsectionplaceofmaintenance	15	exam
rates to be filed. (1) Every insurer, rating organization or	16	COMM
advisory organization, and every group, association or other	17	
organization of insurers which engages in joint underwriting	18	comm
or joint reinsurance shall maintain reasonable records, of	19	state
the type and kind reasonably adapted to its method of	20	
operation, of its experience or the experience of its	21	read
members, and of the data, statistics or information	22	
collected or used by it in connection with the rates, rating	23	noti
plans, rating systems, underwriting rules, policy or bond	24	reaso
forms, surveys or inspections made or used by it, so that	25	tnis
REFERENCE BILL Corrected Printing		

·records will be available at all reasonable times to commissioner to determine whether e the such nization, insurer, group or association, and, in the of an insurer or rating organization, every rate, ng plan and rating system made or used by it, complies the provisions of this chapter applicable to it. The tenance of such records in the office of a licensed ng organization of which an insurer is a member or criber will be sufficient compliance with this section any insurer maintaining membership or subscribership in organization, to the extent that the insurer uses the s, rating plans, rating systems or underwriting rules of organization. Such records shall be maintained in an te within this state or shall be made available for ination or inspection within this state by the issioner at any time upon reasonable notice. (2) Every insurer shall in addition file with the issioner all rates that the insurer uses within this e." Section 2. Section 40-4410, R.C.M. 1947, is amended to as follows: "40-4410. Proof <u>Retention and proof</u> of notice. ILLA ce of cancellation or of intention not to renew or of

24 reasons for cancellation of insurance issued under terms of

5 this chapter shall be retained for a period of 3 years by

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the insurer in an office OR HIS AGENI within this states or 1 2 AND shall be made available within this state for 3 examination or inspection by the commissioner or his agents at any time WITHIN SUCH 3-YEAR PERIOD upon reasonable 4 5 notice-ar-both. [2] Proof of mailing of notice of cancellation, or of 6 7 intention not to renew or of reasons for cancellation, to 8 the named insured at the address shown in the policy or to 9 the named insured's latest known address, shall be

-End-

sufficient proof of notice."

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45th Legislature

58 0306/02

Approved by Committee on <u>Business</u> and Industry

ì	SENATE BILL NO. 306
2	INTRUDUCED BY LEE, HEALY, MEHRENS, PETERSON, R. SMITH
3	
4	A BILL FOR AN ACT ENTITLED: MAN ACT TO AMEND SECTION
5	40-3674+ R.C.M. 1947+ TO REQUIRE RATES TO BE FILED WITH THE
6	INSURANCE COMMISSIONER; AND TO AMEND SECTION 40-4410, R.C.M.
7	1947, TO REQUIRE RETENTION BY INSURERS FOR ± 3 YEAR OF A
8	NUTICE OF CANCELLATION. INTENTION NUT TO RENEW, OR REASONS
ł	FUR CANCELLATION OF CERTAIN INSURANCE POLICIES."
10	
11	JE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
12	Section 1. Section 40-3654, R.C.M. 1947, is amended to
13	read as follows:
13 14	read as follows: #40-3654. Maintenance of records necessity
14	#40-3654. Maintenance of records necessity
14 1>	#40-3654. Maintenance of records necessity contentscompliance-withsectionplace-ofmaintenance
14 15 16	<pre>#40-3654. Maintenance of records necessity contentscompliance-withsectionplace-ofmaintenance rates to be filed. (1) Every insurer, rating organization or</pre>
14 15 15 17	<pre>#40-3654. Maintenance of records necessity contentscompliance-with-sectionplace-ofmaintenance rates to be filed. [1] Every insurer, rating organization or advisory organization, and every group, association or other</pre>
14 15 15 17 18	#40-3654. Maintenance of records necessity contentscompliance-with-sectionplace-ofmaintenance rates to be filed. (1) Every insurer, rating organization or advisory organization, and every group, association or other organization of insurers which engages in joint underwriting
14 15 15 17 18 19	#40-3654. Maintenance of records necessity contentscompliance-with-section-place-ofmaintenance rates to be filed. [1] Every insurer, rating organization or advisory organization, and every group, association or other organization of insurers which engages in joint underwriting or joint reinsurance shall maintain reasonable records, of
14 15 15 17 18 19 20	"40-3654. Maintenance of records necessity contentscompliance-with-sectionplace-ofmaintenance rates to be filed. [1] Every insurer, rating organization or advisory organization, and every group, association or other organization of insurers which engages in joint underwriting or joint reinsurance shall maintain reasonable records, of the type and kind reasonably adapted to its method of
14 15 15 17 18 19 20 21	"40-3654. Maintenance of records necessity contentscompliance-with-sectionplace-ofmaintenance rates to be filed. [1] Every insurer, rating organization or advisory organization, and every group, association or other organization of insurers which engages in joint underwriting or joint reinsurance shall maintain reasonable records, of the type and kind reasonably adapted to its method of operation, of its experience or the experience of its
14 15 15 17 18 19 20 21 22	"40-3654. Maintenance of records necessity contentscompliance-withsectionplace-ofmaintenance rates to be filed. [1] Every insurer, rating organization or advisory organization, and every group, association or other organization of insurers which engages in joint underwriting or joint reinsurance shall maintain reasonable records, of the type and kind reasonably adapted to its method of operation, of its experience or the experience of its members, and of the data, statistics or information

SECOND READING

1 such records will be available at all reasonable times to 2 enable the commissioner to determine whether such 3 organization, insurer, group or association, and, in the 4 case of an insurer or rating organization, every rate, 5 rating plan and rating system made or used by it, complies with the provisions of this chapter applicable to it. The 6 7 maintenance of such records in the office of a licensed rating organization of which an insurer is a member or 8 subscriber will be sufficient compliance with this section 9 for any insurer maintaining membership or subscribership in 10 such organization, to the extent that the insurer uses the 11 rates, rating plans, rating systems or underwriting rules of 12 such organization. Such records shall be maintained in an 13 14 office within this state or shall be made available for 15 examination or inspection within this state by the 16 commissioner at any time upon reasonable notice. 17 (2) Every insurer shall in addition file with the 18 commissioner all rates that the insurer uses within this 19 state." Section 2. Section 40-4410, R.C.H. 1947, is emended to 20 21 read is follows: 22 "40-4410. Proof Retention and proof of notice. (1) A notice of cancellation or of intention not to renew or of 23 24 reasons for cancellation of insurance issued under terms of

25 this chapter shall be retained for a period of 3 years by

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SB 306

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1 the insurer in an office OR HIS AGENT within this state, or 2 shall be made available within this state for examination or 3 inspection by the commissioner or his agents at any time 4 upon reasonable notice, or both. 5 (2) Proof of mailing of notice of cancellation, or of 6 intention not to renew or of reasons for cancellation, to 7 the named insured at the address shown in the policy or to

8 the named insured's latest known address, shall be

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9 sufficient proof of notice."

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-End-

1	SENATE BILL NO. 306	1	such records will be available at all reasonable times to
2	INTRODUCED BY LEE, HEALY, MEHRENS, PETERSON, R. SMITH	2	enable the commissioner to determine whether such
З		3	organization, insurer, group or association, and, in the
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION	4	case of an insurer or rating organization, every rate,
5	40-3654, R.C.M. 1947, TO REQUIRE RATES TO BE FILED WITH THE	5	rating plan and rating system made or used by it, complies
ь	INSURANCE COMMISSIONER; AND TO AMEND SECTION 40-4410, R.C.M.	6	with the provisions of this chapter applicable to it. The
1	1947, TO REQUIRE RETENTION BY INSURERS FOR ± 3 YEAR OF A	7	maintenance of such records in the office of a licensed
ö	NOTICE OF CANCELLATION, INTENTION NOT TO RENEW, OR REASONS	8	rating organization of which an insurer is a member or
÷	FOR CANCELLATION OF CERTAIN INSURANCE POLICIES."	9	subscriber will be sufficient compliance with this section
10		10	for any insurer maintaining membership or subscribership in
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:	11	such organization, to the extent that the insurer uses the
12	Section 1. Section 40-3654, R.C.M. 1947, is amended to	12	rates, rating plans, rating systems or underwriting rules of
13	read as follows:	13	such organization. Such records shall be maintained in an
14	"40-3654. Maintenance of records necessity	14	office within this state or shall be made available for
15	contentscompliancewithsectionplaceofmaintenance	15	examination or inspection within this state by the
15	rates to be filed. [1] Every insurer, rating organization or	16	commissioner at any time upon reasonable notice.
17	advisory organization, and every group, association or other	17	(2) Every insurer shall in addition file with the
18	organization of insurers which engages in joint underwriting	18	commissioner all rates that the insurer uses within this
19	or joint reinsurance shall maintain reasonable records, of	19	state."
20	the type and kind reasonably adapted to its method of	20	Section 2. Section 40-4410, R.C.M. 1947, is amended to
21	operation, of its experience or the experience of its	21	read as follows:
22	members, and of the data, statistics or information	22	"40-4410. Proof <u>Retention and proof</u> of notice. (1) A
23	collected or used by it in connection with the rates+ rating	23	notics of cancellation or of intention not to renew or of
24	plans, rating systems, underwriting rules, policy or bond	24	reasons for cancellation of insurance issued under terms of
25	forms, surveys or inspections made or used by it, so that	25	this chapter shall be retained for a period of 3 years by
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THIRD READING

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SB 306

the insurer in an office OR HIS AGENI within this state, or
 shall be made available within this state for examination or
 inspection by the commissioner or his agents at any time
 upon reasonable notice, or both.

5 (2) Proof of mailing of notice of cancellation, or of 6 intention not to renew or of reasons for cancellation, to 7 the named insured at the address shown in the policy or to 8 the named insured's latest known address, shall be 9 sufficient proof of notice."

-End-

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HOUSE OF REPRESENTATIVES

MARCH 30, 1977

COMMITTEE ON BUSINESS AND INDUSTRY AMENDMENTS TO SENATE BILL NO. 306

1. Amend title, line 7. Following: "3" Strike: "YEAR" Insert: "YEARS" 2. Amend page 3, section 2, subsection (1), line 1. Following: "insurer" Strike: "in an" Following: "state" Strike: ", or" Insert: "and" 3. Amend page 3, section 2, subsection (1), line 3. Following: "time" Insert: "within such 3-year period" 4. Amend page 3, section 2, subsection (1), line 4. Following: "notice" Strike: ", or both" AS AMENDED

BE CONCURRED IN

1	SENATE BILL NO. 306
2	INTRODUCED BY LEE, HEALY, MEHRENS, PETERSON, R. SMITH
3	
4	A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION
5	40-3654+ R.C.M. 1947, TO REQUIRE RATES TO BE FILED WITH THE
6	INSURANCE COMMISSIONER; AND TO AMEND SECTION 40-4410, R.C.M.
7	1947, TO REQUIRE RETENTION BY INSURERS FOR # <u>3</u> year <u>years</u> of
8	A NOTICE OF CANCELLATION, INTENTION NOT TO RENEN, OR REASONS
9	FOR CANCELLATION OF CERTAIN INSURANCE POLICIES."
10	
11	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
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14	#40-3654. Maintenance of records necessity
15	contentscompliancewithsectionplaceofmaintenance
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18	organization of insurers which engages in joint underwriting
19	or joint reinsurance shall maintain reasonable records, of
20	the type and kind reasonably adapted to its method of
21	operation, of its experience or the experience of its
22	members, and of the data, statistics or information
23	collected or used by it in connection with the rates, rating
24	plans, rating systems, underwriting rules, policy or bond

forms, surveys or inspections made or used by it, so that 25

RFFERENCE BILL

1 such records will be available at all reasonable times to 2 enable the commissioner to determine whether such organization, insurer, group or association, and, in the 3 4 case of an insurer or rating organization, every rate, rating plan and rating system made or used by it, complies 5 with the provisions of this chapter applicable to it. The 6 maintenance of such records in the office of a licensed 7 8 rating organization of which an insurer is a member or 9 subscriber will be sufficient compliance with this section 10 for any insurer maintaining membership or subscribership in 11 such organization, to the extent that the insurer uses the 12 rates, rating plans, rating systems or underwriting rules of 13 such organization. Such records shall be maintained in an 14 office within this state or shall be made available for examination or inspection within this state by the 15 16 commissioner at any time upon reasonable notice.

17 (2) Every insurer shall in addition file with the 18 commissioner all rates that the insurer uses within this 19 state." 20 Section 2. Section 40-4410, R.C.M. 1947, is amended to

21 read as follows:

22 "40-4410. Proof <u>Retention and proof</u> of notice. (1) A 23 notice of cancellation or of intention not to renew or of reasons for cancellation of insurance issued under terms of 24 25 this chapter shall be retained for a period of 3 years by

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the insurer in an office OR HIS AGENT within this statey or
 AND shall be made available within this state for
 examination or inspection by the commissioner or his agents
 at any time <u>WITHIN_SUCH_3-YEAR_PERIOD</u> upon reasonable
 noticey-or-both.

6 <u>(2)</u> Proof of mailing of notice of cancellation, or of 7 intention not to renew or of reasons for cancellation, to 8 the named insured at the address shown in the policy or to 9 the named insured*s latest known address, shall be 10 sufficient proof of notice."

-End-

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