# CHAPTER NO. 615

# SENATE BILL NO. 284

# INTRODUCED BY LOWE, KOLSTAD, STORY, McCALLUM, UNDERDAL, BOYLAN, ROSKIE, TOWE

# IN THE SENATE

January 29, 1979	Introduced and referred to Committee on Judiciary.
February 2, 1979	Fiscal note requested.
February 8, 1979	Fiscal note returned.
February 16, 1979	Committee recommend bill do pass. Report adopted.
February 17, 1979	Printed and placed on members' desks.
February 19, 1979	Second reading, do pass as amended.
February 20, 1979	Correctly engrossed.
February 21, 1979	Third reading, passed. Transmitted to second house.
IN THE HOU	SE
February 22, 1979	Introduced and referred to Committee on Judiciary.
March 19, 1979	Committee recommend bill be concurred in as amended. Report adopted.
March 20, 1979	Second reading, concurred in.
March 23, 1979	Third reading, concurred in

# IN THE SENATE

as amended.

March 24, 1979 Returned from second house. Concurred in as amended.

March 26, 1979	Second reading, pass consideration until March 28, 1979.
March 28, 1979	Second reading, amendments rejected.
	On motion, Free Joint Conference Committee requested.
March 29, 1979	Free Joint Conference Committee appointed.
Λpril 7, 1979	Free Joint Conference Committee reported.
April 9, 1979	Second reading, adopted.
April 10, 1979	Third reading, adopted.
	Adopted by second house.
April 11, 1979	Sent to enrolling.
	Reported correctly enrolled.

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH REPORTING REQUIREMENTS FOR PRODUCT LIABILITY INSURERS."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Product liability insurer -- report. (1) Each insurance company doing business in this state that insures against product liability losses shall make and file with the department of insurance, on or before April 1 of each year, a report for the year ending December 31 immediately preceding, upon a form to be prescribed and that may be furnished by the department.

- (2) The report shall include the following information:
  - (a) the name of the insurance company;
- (b) the kinds of insurance that the company writes and the states in which the company issues policies providing insurance against product liability losses;
- (c) the amount of product liability insurance premiums collected for the year, indicating the amount of premiums allocable to Montana and the total nationwide amount, on:
- 24 (i) policies insuring only against product liability
  25 losses;

1 (ii) policies that include insurance against product
2 liability losses among other losses if the premiums are
3 divisible and identifiable; and

4 (iii) policies for excess coverage on product liability
5 losses;

(d) the amount of product liability insurance premiums not shown under subsection (2)(c)(ii) for insurance that includes coverage for product liability if the premiums are not divisible but are, for experience purposes, separately allocable for Montana and mationwide;

- (e) information for product liability insurance experience separately allocated to Montana and nationwide showing the:
  - (i) total amount of earned premiums;

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- 15 (ii) total amount of incurred losses, including all
  16 loss adjustment expense;
- 17 (iii) amount of incurred losses including all loss
  18 adjustment expense represented by reserves other than
  19 incurred but not reported reserves; and
- 20 (iv) amount of reserves represented by incurred but not 21 reported reserves, together with the formula used to develop 22 such incurred but not reported reserves and the allocation 23 thereof to each state; and
- (f) for any claim, loss, or action for bodily injury,death, or property damage allocated to Montana experience if

there	has	beer	n a 1	final	judgm	ent	or a	settlement in	any
amount	or	i f	there	has	been	а	final	disposition	not
result	ing i	n a 1	loss pa	y ment	on be	hali	f of ti	ne insured:	

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- (i) each claim file number and county in which filed, if any;
- 6 (ii) a description of the type of product involved in 7 each claim;
- 8 (iii) the rating classification code for the product
  9 involved in each claim:
- 10 (iv) the date of occurrence from which each claim
  11 arose:
- (v) the state or other jurisdiction wherein each claimwas adjudicated, settled, or other disposition made;
- 14 (vi) the date legal action commenced, if filed;
- 15 (vii) the date and amount of final judgment or
  16 settlement, if any, and the number of plaintiffs or
  17 claimants involved in the disposition of the judgment or
  18 settlement, together with the amount received by each such
  19 party;
- (viii) the date and basis for final disposition of eachclaim if there was no final judgment or settlement;
- 22 (ix) a brief description of the occurrence out of which 23 the claim arose:
  - (x) the total number of all claims;
- 25 (xi) the total number of all claims closed without

-3-

1	payments;
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- 2 (xii) the total number of claims closed with payments
  3 as a result of final judgment and the total amount paid
  4 thereon;
- 5 (xiii) the total number of claims closed with payment 6 based on a settlement prior to final judgment and the total 7 amount paid thereon;
- (xiv) the total number of suits filed;
- 9 (xv) the total number of final verdicts or final ludgments for defendants;
- 11 (xvi) the total number of final verdicts or final
  12 judgments for plaintiffs; and
- (xvii) such other information as the department may
  require.
- Section 2. Department to make reports available. The
  department of insurance shall make the reports required
  under [section 1] available to the public on request at a
  fee prescribed by the department, not to exceed reasonable
  costs, and in a manner that does not reveal the names of any
  manufacturer, distributor, seller, or other person involved.
- 22 liability may arise against any insurer or against its 23 agents or employees as a result of making a report pursuant 24 to [section 1].

-End-

Section 3. Insurer not liable for making report. No

#### STATE OF MONTANA

#### FISCAL NOTE

Request	No.	204~79

Form BD-15

In compliance with a written request received <u>February 2, 1979</u>, there is hereby submitted a Fiscal Note for <u>Senate Bill 284</u> pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

#### DESCRIPTION OF PROPOSED LEGISLATION:

Senate Bill 284 is an act requiring a report from each insurer writing product liability in Montana, answering 29 questions.

## ASSUMPTIONS:

- 1. The act will be effective July 1, 1979.
- 2. The Commissioner of Insurance will be required to design and furnish a form, gather the information from each insurer, collate and summarize the information, and make it available to the public.
- 3. Costs are based on current cost of personal services and current operating expenses of the Insurance Department. Capital outlay is catalogue price of a desk, typewriter, and calculator. Cost of forms is estimated from past experience and added to operating expense.
- 4. The public charge will be 10.00 for each copy of the report. Revenues from the sale of the report will be minimal.

### FISCAL IMPACT:

Additional cost of proposed legislation	FY 80	FY 81
Personal services	\$12,200	\$13,000
Operating expenses	2,800	2,050
Equipment	1,500	0
Total	\$16,500	\$15,050

The additional cost must be funded from the State General Fund.

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 4/8/79

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A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH REPORTING

REQUIREMENTS FOR PRODUCT LIABILITY INSURERS."

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  25 losses:

1	(ii) po	olicies	that	include	insura	nce ·	against pro	duct
2	liability l	osses am	ong oth	er loss	es if	the	premiums	are
3	divisible a	nd identi	ifiable	: and				

- 4 (iii) policies for excess coverage on product liability
  5 losses:
- 6 (d) the amount of product liability insurance premiums
  7 not shown under subsection {2}(c)(ii) for insurance that
  8 includes coverage for product liability if the premiums are
  9 not divisible but are, for experience purposes, separately
  10 allocable for Montana and nationwide;
- 11 (e) information for product liability insurance 12 experience separately allocated to Montana and nationwide 13 showing the:
  - (i) total amount of earned premiums;

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- 15 (ii) total amount of incurred losses, including all
  16 loss adjustment expense;
  - (iii) amount of incurred losses including all loss adjustment expense represented by reserves other than incurred but not reported reserves; and
- 20 (iv) amount of reserves represented by incurred but not 21 reported reserves, together with the formula used to develop 22 such incurred but not reported reserves and the allocation 23 thereof to each state; and
- 24 (f) for any claim. loss. or action for bodily injury.
  25 death. or property damage allocated to Montana experience if

1	there has been a final judgment or a settlement in any
2	amount or if there has been a final disposition not
3	resulting in a loss payment on behalf of the insured:
4	(i) each claim file number and county in which filed.
5	if any:
6	(ii) a description of the type of product involved in
7	each claim;
8	(iii) the rating classification code for the product
9	involved in each claim;
10	(iv) the date of occurrence from which each claim
11	arose;
12	(v) the state or other jurisdiction wherein each claim
13	was adjudicated, settled, or other disposition made;
14	(vi) the date legal action commenced: if filed;
15	(vii) the date and amount of final judgment or
16	settlement, if any, and the number of plaintiffs or
17	claimants involved in the disposition of the judgment or
18	settlement, together with the amount received by each such
19	party;
20	(viii) the date and basis for final disposition of each
21	claim if there was no final judgment or settlement;
22	(ix) a brief description of the occurrence out of which

1	payments;
2	(xii) the total number of claims closed with payment
3	as a result of final judgment and the total amount paid
4	thereon;
5	(xiii) the total number of claims closed with paymen
6	based on a settlement prior to final judgment and the total
7	amount paid thereon;
8	(xiv) the total number of suits filed;
9	(xv) the total number of final verdicts or final
10	judgments for defendants;
11	(xvi) the total number of final verdicts or final
12	judgments for plaintiffs; and
13	(xvii) such other information as the department may
14	require.
15	Section 2. Department to make reports available. The
16	department of insurance shall make the reports required
17	under [section 1] available to the public on request at a
18	fee prescribed by the department, not to exceed reasonable
19	costs, and in a manner that does not reveal the names of an
20	manufacturer, distributor, seller, or other person involved
21	Section 3. Insurer not liable for making report. N
22	liability may arise against any insurer or against it
23	agents or employees as a result of making a report pursuan
24	to [section 1].

-End-

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(xi) the total number of all claims closed without

(x) the total number of all claims;

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the claim arose:

1	SENATE BILL NO. 284
2	INTRODUCED BY LOWE, KOLSTAD, STORY, McCALLUM,
3	UNDERDAL. BOYLAN, ROSKIE, TOWE
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH REPORTING
6	REQUIREMENTS FOR PRODUCT LIABILITY INSURERS.*
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3	each year, a report for the year ending December 31
4	immediately preceding, upon a form to be prescribed and that
5	may be furnished by the department.
6	t2;Thereportshollincludethefollowing
7	informations
8	(s)the-name-of-the-insurance-company:
9	tb}the-kinds-of-insurance-that-the-company-writes-and
0	the-states-in-which-the-companyissuespoliciesproviding
1	insurance-against-product-liability-lossest
2	{c}the-smount-of-product-lisbility-insurance-premiums
ì	coffectedfortheyeary-indicating-the-amount-of-premiums
4	allocable-to-Montana-and-the-total-mationwide-amounty-on+
5	dib_malisiss_issusiss_salu_assissb_ sandusb_ libilisu

2	tit-policiesthatincludeinsurance-against-produc
3	liability-losses-omong-otherlossesifthepremiumser
•	divisible-end-identifiable;-end
5	tiii)-policies-for-excess-eaverage-on-product-liabilit
6	1000001
7	td}the-emount-of-product-liebility-insurence-premium
8	notshownundersubsection{2}{e}{tij-far-insurance-tha
9	includes-coverage-for-product-liebility-if-the-premiumser
10	notdivisiblebut-erev-for-experience-purposesy-separatel
11	offocable-for-Montone-and-nationwide:
12	te;informationforproductlimbilityinsuranc
13	experienceseparatelyallocatedto-Hontane-and-nationwid
<b>14</b>	showing-the+
15	{+}toteemount-of-earned-premiums;
6	firt-total-amount-ofincurredlossesyincludingal
17	toss-adjustment-expenset
8	firit)=amountofincurredlossesincludingoli-los
19	adjustment-rexpenserepresentedbyreservesotherthe
20	incurred-but-not-reported-reserves;-and
21	tiv)-amount-of-reserves-represented-by-incurred-but-no
22	reported-reservesy-together-with-the-formula-used-to-develo
-	•
23	suchincurredbut-not-reported-reserves-and-the-offocatio
24	thereof-to-each-state;-and

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SB 284

ff}--for-any-claimy-lossy-or-action-for-bodily--injuryy

SB 0284/02 SB 0284/02

1	deathy-or-property-damage-allocated-to-Montane-experience-if
2	thorehosbeensfinal <del>judgmentor-a-settlement-i</del> n-any
3	emountariftherehasbeenafinaldispositionnot
4	resulting-in-e-less-payment-on-behalf-of-the-insured:
5	titeachclaim-file-number-end-county-in-which-filedy
6	if-any;
7	fit-o-description-of-the-type-of-productinvolvedin
8	each-c <del>lais;</del>
9	<pre>fiii-theratingelassificationcode-for-the-product</pre>
10	involved-in-each-claim;
11	(iv)-the-dateofoccurrencefromwhichoachcloim
12	970987
13	(v)the-state-or-other-jurisdiction-wherein-each-claim
14	was-adjudicatedy-sattledy-or-other-disposition-mades
15	<pre>tvi;-the-date-lagal-action-commencedy-if-filed;</pre>
16	tviij-thedateandamountoffinaljudgmentor
17	settlementyifanyvandthenumberofplointiffsor
18	cłaimontsinvolvedinthedisposition-of-the-judgment-or
19	settlementy-together-with-the-amount-received-byeachsuch
50	partys
21	tviii;-the-date-and-basis-for-finel-disposition-of-each
22	cłaim-if-thore-was-no-final-judgment-or-pettlement;
23	tixt-a-briof-description-of-the-occurrence-out-of-which
24	the-claim-arosa;
25	<pre>fxjthe-total-number-of-all-cloims;</pre>

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2	payments <del>;</del>
3	<pre>fxii)-the-total-number-of-claims-clasedwithpsyment</pre>
4	asa-resultaffinaljudgment-and-the-total-amount-paid
5	thereons
6	<pre>fxfff;-the-total-number-of-claims-closedwithpayment</pre>
7	basedon-a-settlemant-prior-to-final-judgment-and-the-tota
8	emount-paid-thereon;
9	(xiv)-the-totel-number-of-suits-filed)
10	txvj-thetotalnumberoffinalverdictsorfina
11	<del>judgments-for-defendents:</del>
12	<pre>fxv+j-thetotalnumberoffinalverdictsor-final</pre>
13	<del>judgments-for-plaintiffs;-and</del>
14	<pre>fxviij-such-other-informationasthedepartmentmo</pre>
15	requires
16	Section 2. Department to make reports available. Th
17	department of insurance shall make the reports require
18	under [section 1] available to the public on request at
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-End-

SB 284

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2	INTRODUCED BY LOWE, KOLSTAD, STORY, McCALLUM,
3	UNDERDAL, BOYLAN, ROSKIE, TONE
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6	t2}Thereportshallincludethefollowing
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8	te;the-neme-of-the-insurance-company:
9	tb}the-kinds-of-insurance-that-the-company-writes-and
0	thestatesinwhich-the-company-issues-policies-providing
1	insurance-against-product-liability-lossest
2	<pre>te&gt;the-amount-of-produce-liability-insurance-promiums</pre>
3	collected-for-the-yeary-indicating-theamountofpremiums
4	allocable-to-Montona-and-the-tot <del>sl-nationwide-amounty-on+</del>
5	<pre>f+}policies+nsuringenly-against-product-liability</pre>

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2	tiit-poticies-that-include <del>insuranceegainstproduct</del>
3	tiabilitylossessmongotherlossesif-the-premiums-ore
4	divisible-and-idencifiable;-and
5	<pre>f+i+j-policies-for-excess-coverage-on-product-liability</pre>
6	1000001
7	tdthe-amount-of-product-liability-insurance-premiums
8	not-shown-under-subsection{2}{c}{ii}forinsurancethet
9	includescoverage-for-product-liability-if-the-premiums-are
10	not-divisible-but-arev-for-experiencepurposesyseparately
11	allocable-for-Montene-end-notionwide;
12	tetinformationforproductliabilityinsurance
13	experience-separately-allocated-toMontaneendnationwide
14	showing-the+
15	<pre>†++total-amount-of-marned-premiumst</pre>
16	fit-totalamountofincurredlossesv-including-all
17	łoss-edjustment-expenses
18	<pre>f+++}-amount-of+ncurred+osses+nchud+nga+++oss</pre>
19	adjustmentexpenserepresentedbyreservesotherthan
20	incurred-but-not-reported-reservest-and
21	fiv;-amount-of-reserves-represented-by-incurred-but-not
27	reported-reservesy-together-with-the-formula-used-to-dayelop
23	such-incurred-but-not-reported-reserves-andtheallocation
24	thereof-to-each-state;-ond
25	ffjforeny-claimy-lossy-or-action-for-bodily-injuryy

SB 0284/03 SB 0284/03

1	deethv-er-property-demage-slipcated-to-Montana-experience-if	1	(x+)-the-total-numberofallclaimsclosedwithout
2	there-has-been-a-fine?judgmentorasett?ementinany	2	paymentst
3	amountorifthereheebeenefineldispesitionnot	3	(x++)-thetotalnumber-of-claims-clased-with-payments
4	resulting-in-s-loss-poyment-on-behalf-of-the-insured+	4	os-a-result-of-finel-judgmentandthetotalamountpaid
5	titemeh-claim-file-number-end-county-in-whichfiledy	5	thereont
6	if-any;	6	(x++++)-thetotalnumber-of-claims-closed-with-payment
7	†;††-adescriptionof-the-type-of-product-involved-in	7	based-on-a-settlement-prior-to-finel-judgment-end-thetotal
8	esch-cinius	8	amount-paid-thereon;
9	+++++-the-rating-elessification-codefortheproduct	9	<pre>fxiv)-the-totel-number-of-suits-filed;</pre>
10	involved-in-each-claims	10	<pre>fxvj-thetotelnumberoffinelverdictsorfinel</pre>
11	fiv)-thedateofoccurrencefromwhichcoch-claim	11	judgments-for-defendents:
12	eroset	12	<pre>txv+t-the-totalnumberoffinalverdictsorfinal</pre>
13	fv)the-state-er-other-jurisdiction-whorein-each-claim	13	judgments-for-plaintiffs;-and
14	was-adyodicatedy-sattiedy-or-ather-disposition-mades	14	<pre>fxviij-suchotherinformationasthe-department-may</pre>
15	tvij-the-date-legel-action-commencedif-filed;	15	requires
16	tvii)-thedateendamounteffineijudgmentor	16	121 THE REPORT SHALL INCLUDE THE FOLLOWING
17	settlementifenyandthenumberofplaintiffsor	17	INEGRHATION:
18	etaimants-involved-in-the-dispositionofthejudgmenter	18	1A1_IHE_NAME_DE_IHE_INSURANCE_COMPANY:
19	settlementtogetherwith-the-amount-received-by-each-such	19	181 THE KINDS OF INSURANCE THAT THE COMPANY WRITES AND
20	portys	20	THE STATES IN WHICH THE COMPANY ISSUES POLICIES PROVIDING
21	tv++++-ante-and-basis-for-finel-disposition-of-each	21	INSURANCE AGAINST PRODUCT LIABILITY LOSSES:
22	elsim-if-there-was-no-final-judgment-or-settlement;	22	(C) THE AMOUNT DE PRODUCT LIABILITY INSURANCE PREMIUMS
23	tixt-a-brief-description-of-the-occurrence-out-of-which	23	COLLECTED FOR THE YEAR . INDICATING THE AMOUNT OF PREMIUMS
24	the-claim-arose;	24	ALLOCABLE TO MONIANA AND THE TOTAL NATIONWIDE AMOUNT. ON:
25	fxjthe-total-number-of-ell-claims;	25	111 POLICIES INSURING ONLY AGAINST PRODUCT LIABILITY

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SB 0284/03 SB 0284/03

1	LOSSES:	1	DEATH: OR PROPERTY DAMAGE ALLOCATED TO MONTANA EXPERIENCE IE
2	(II) POLICIES THAT INCLUDE INSURANCE AGAINST PRODUCT	2	THERE HAS BEEN A FINAL JUDGHENT OR A SETTLEMENT IN ANY
خ	LIABILITY LOSSES AHONG OTHER LOSSES IF THE PREMIUMS ARE	3	AMOUNT OR IF THERE HAS BEEN A FINAL DISPOSITION NOT
4	DIVISIBLE_AND_IDENTIFIABLE:_AND	4	RESULTING IN A LOSS PAYMENT ON BEHALF OF THE INSURED:
5	(III) POLICIES FOR EXCESS COVERAGE ON PRODUCT LIABILITY	5	(1) EACH CLAIM FILE NUMBER AND COUNTY IN WHICH FILED:
6	LOSSES:	6	IE_ANY:
7	10) THE AMOUNT OF PRODUCT LIABILITY INSURANCE PREMIUMS	7	TILL A DESCRIPTION OF THE TYPE OF PRODUCT INVOLVED IN
8	NOT_SHOWN_UNDER_SUBSECTION(2)(C)(III)EORINSURANCEIHAI	9	EACH_CLAIM:
9	INCLUDES COVERAGE FOR PRODUCT LIABILITY IS THE PREMIUMS ARE	9	(111) THE RATING CLASSIFICATION CODE FOR THE PRODUCT
10	NOI DIVISIBLE BUI ARE: EGR EXPERIENCE PURPOSES: SEPARATELY	10	INAUTAED IN EVEN CIVIN:
11	ALLOCABLE_FOR_MONTANA_AMO_NATIONWIDE:	11	11Y) THE DATE OF OCCURRENCE FROM WHICH EACH CLAIM
12	(E) INEDRMATION FOR PRODUCT LIABILITY INSURANCE	12	AROSE:
13	EXPERIENCE SEPARATELY ALLOCATED TO MONTANA AND MATIONWIDE	13	INT THE STATE OF DIVER LURISDICTION WHEREIM EACH CLAIM
14	SHOWING_IHE:	14	WAS ADJUDICATED, SETTLED, OR DINER DISPOSITION HADE:
15	(1) TOTAL AMOUNT OF FARNED PREMIUMS:	15	(VI) THE DATE LEGAL ACTION COMMENCED. IE FILED:
16	(III) IDIAL AMOUNT OF INCURRED LOSSES - INCLUDING ALL	16	CATTS THE DATE WOO WAS THE
17	LOSS_ADJUSIMENI_EXPENSE:	17	SETTLEMENTS IF ANYS AND THE NUMBER OF PLAINTIEES OR
18	(1111) AMOUNT OF INCURRED LOSSES INCLUDING ALL LOSS	18	CLAIMANTS INVOLVED IN THE DISPOSITION DE THE MUDGMENT OR
19	ADJUSTMENT EXPENSE REPRESENTED BY RESERVES OTHER THAN	19	SETTLEMENT: TOGETHER WITH THE AMOUNT RECEIVED BY EACH SUCH
20	INCURRED BUT NOT REPORTED RESERVES: AND	20	PARIYA
21	(114) AMOUNT OF RESERVES REPRESENTED BY INCURRED BUT NOT	21	LYIII THE DATE AND BASIS FOR FINAL DISPOSITION OF EACH
22	REPORTED RESERVES. TOGETHER WITH THE FORMULA USED TO DEVELOP	2?	CLAID_IE_IDERE_WAS_ND_FINAL_JUDGMENT_OR_SEITLEMENT:
23	SUCH INCURRED BUT NOT REPORTED RESERVES AND THE ALLOCATION	23	LIXT & BRIEF DESCRIPTION DE THE OCCURRENCE DUT DE WHICH
24	IHEREOF_ID_EACH_SIAIE: AND	24	IME_CLAIM_ARUSE:
25	(E) FOR ANY CLAIM: LOSS: OR ACTION FOR BOOILY INJURY:	25	1X1 INE TOTAL NUMBER OF ALL CLAIMS:

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1	(XI) THE TOTAL MANAGES OF ALL CLAIMS CLOSED MITHOUT
2	PAYMENISE
3	(XII) THE TOTAL NUMBER OF CLAIMS CLOSED WITH PAYMENTS
4	AS_A_RESULT_DE_EINAL_JUDGMENT_AND_INE_IDIAL_AMOUNTPAID
5	IHEREONI
6	IXIII THE TOTAL NUMBER OF CLAIMS CLOSED WITH PAYMENT
7	BASED ON A SETTLEMENT PRIOR TO ETHAL JUDGHENT AND THE TOTAL
8	ABUNNI_PAID_IHEREON:
9	(XIV) THE TOTAL NUMBER OF SWITS FILED:
0	LAYL THE TOTAL MUMBER OF FINAL YEROICTS OR FINAL
.1	HUDGHENTS EDR DEEENDANTS:
2	(AY1) THE IOTAL MUMBER OF FINAL YERDICTS OR FINAL
3	JUDGHENIS FOR PLAINTIFES: AND
4	[XYII] SUCH GIWER INFORMATION AS THE GEPARIMENT MAY
.5	8ESUIBE.
6	Section 2. Department to make reports available. The
.7	department of insurance shall make the reports required
.0	under (section 1) available to the public on request at a
9	fee prescribed by the department, not to exceed reasonable
0	costs, and in a manner that does not reveal the names of any
1	manufacturer, distributor, seller, or other person involved.
2	Section 3. Insurer not liable for making report. No
3	liability may arise against any insurer or against its
4	agents or employees as a result of making a report pursuant
5	to [section 1].

-End-

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SB 284

1	SENATE BILL NO. 284
2	INTRODUCED BY LOWE, KOLSTAD, STORY, McCALLUM,
3	UNDERDAL, BOYLAN, ROSKIE, TOWE
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO ESTABLISH REPORTING
6	REQUIREMENTS FOR PRODUCT LIABILITY INSURERS.
7	
8	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
9	Section 1. Product liability insurer - report. (1)(1)
10	Each insurance company doing business in this state that
1	insures against product liability losses shall make and file
12	with the department of insurance, on or before April 1 of
13	each year, a report for the year ending December 31
14	immediately preceding, upon a form to be prescribed and that
15	may be furnished by the department.
16	{2}Thereportshallincludethefollowing
L7	information*
18	ta)the-name-of-the-insurance-company:
L 9	tb)the-kinds-of-insurance-that-the-compony-writes-and
20	thestatesinwhich-the-company-issues-policies-providing
21	insurance-against-product-liability-losses;
22	tc)the-amount-of-product-liability-insurence-premiums
23	collected-for-the-yeary-indicating-theamountofpremiums
24	allocable-to-Montana-and-the-total-nationwide-amounty-on:
25	{i}policiesinsuringonly-against-product-liability

1	<del>fosses)</del>
2	(++)-policies-that-includeinsuranceagainstproduct
3	++ab+++ty+ossesamongother+osses+f-the-premiums-are
4	divisible-and-identifiable;-and
5	<del>{+++}-policies-for-excess-coverage-on-product-liab+lit</del> y
6	<del>}03363</del> †
7	{d}the-amount-of-product-lieb+lity-insurance-premiums
8	not-shown-under-subsection{2}{c}{ii}forinsurancethat
9	includescoverage-for-product-liability-if-the-premiums-are
10	not-divisible-but-arey-for-experiencepurposesyseparately
11	allocable-for-Montans-and-matfonwide;
12	<del>{e}informationfor</del> <del>product}tabilityinsuranc</del>
13	experience-separately-allocated-toMontaneandnationwide
14	showing-the*
15	<del>{i}total-amount-of-ear</del> ned- <del>premiums</del>
16	{++}-totalamountofincurredlossesy-including-al
17	<del>loss-adjustment-expense</del> ;
18	titip-emount-ofincurredlossesincludingelllos
19	adjustmentexpenserepresentedbyreservesotherthan
20	+ncurred-but-not-reported-reserves;-and
21	<pre>fiv)-amount-of-reserves-represented-by-incurred-but-not</pre>
22	reported-reservesy-together-with-the-formula-used-to-develop
23	such-incurred-but-not-reported-reserves-andtheallocation
24	thereof-to-each-state;-and

25

tf;--for--any-claimy-loss,-or-action-for-bodily-injuryy

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25

1	deathy-or-property-demage-affocuted-to-Montana-experience-if
2	there-hes-been-e-fineljudgmenter-settlementineny
3	amountoriftherehasbeenafinaldispositionnet
4	resulting-in-a-loss-payment-on-behalf-of-the-insured+
5	<del>(i)each-claim-file-number-and-county-in-which</del> filedv
6	<del>if-snyt</del>
7	<del>{ii}=adescriptionof-the-type-of-product-involved-in</del>
8	each-claim;
9	<del>{iii}-the-rating-classification-codefortheproduct</del>
10	involved-in-each-claims
11	tiv;-thedateofaccurrencefromwhicheach-claim
12	aroset
	dubo abborababa aprabban tuntadi aking ubo ata anab akin
13	<del>(v)the-state-or-other-jurisdiction-wherein-each-claim</del>
14	was-adjudicatedy-settledy-or-other-disposition-wader
	•
14	was-adjudicatedy-settledy-or-other-disposition-made;
14 15	was-adjudicatedy-settledy-or-other-disposition-made;  {vi}-the-date-legal-action-commencedy-if-filed;
14 15 16	was-adjudicatedy-settledy-or-other-disposition-made;  tvi;-the-date-legal-action-commencedy-if-filed;  tvi;-the-date-and-amount-of-finaljudgmentor
14 15 16 17	was-adjudicatedy-settledy-or-other-disposition-made;  {vi}-the-date-legal-action-commencedy-if-filed;  {vii}-the-date-and-amount-of-fineljudgmentor- settlementyifanyyandthenumberofplaintiffsor-
14 15 16 17	was-adjudicatedy-settledy-or-other-disposition-made;  {vij-the-date-legal-action-commencedy-if-filed;  {viij-the-dateandamountoffinaljudgmentor- settlementyifanyyandthenumberofplaintiffsor- claimants-involved-in-the-dispositionofthejudgmentor-
14 15 16 17 18	was-adjudicatedy-settledy-or-other-disposition-made;  {vij-the-date-legal-action-commencedy-if-filed;  {viij-the-date-and-amount-of-finaljudgmentor settlementyifanyyandthe-numberofplaintiffsor claimonts-involved-in-the-dispositionofthejudgmentor settlementytogetherwith-the-amount-received-by-each-such
14 15 16 17 18 19	was-adjudicatedy-settledy-or-other-disposition-made;  {vij-the-date-legal-action-commencedy-if-filed;  {viij-the-date-and-amount-of-finaljudgmentor settlementyifanyyand-the-numberofplaintiffsor claimants-involved-in-the-dispositionofthejudgmentor settlementytogetherwith-the-amount-received-by-eoch-such partyt
14 15 16 17 18 19 20	was-adjudicatedy-settledy-or-other-disposition-made;  {vij-the-date-legal-action-commencedy-if-filed;  {viij-the-date-and-amount-of-finaljudgmentor settlementyifanyyandthe-numberofplaintiffsor claimants-involved-in-the-dispositionofthejudgmentor settlementytogetherwith-the-amount-received-by-each-such party;  {viii}-the-date-and-basis-for-final-disposition-of-each
14 15 16 17 18 19 20 21	was-adjudicatedy-settledy-or-other-disposition-made;  {vij-the-date-legal-action-commencedy-if-filed;  {viij-the-date-and-amount-of-finaljudgmentor- settlementyifanyvandthenumberofplaintiffsor- claimants-involved-in-the-dispositionofthejudgmentor- settlementytogetherwith-the-amount-received-by-eoch-such party;  {viiij-the-date-and-basis-for-final-disposition-of-each- claim-if-there-was-no-final-judgment-or-settlement;

-3-

2	payments;
3	<pre>txiij-thetotalnumber-of-claims-closed-with-payments</pre>
4	ss-a-result-of-finel-judgmentandthetotalamountpaid
5	thereont
6	{x++++totalnumber-of-claims-closed-with-payment
7	based-on-a-settlement-prior-to-final-judgment-and-thetotal
8	amount-paid-thereon;
9	<pre>txiv}-the-totel-number-of-suits-filed;</pre>
10	txv}-thetotalnumberoffinalverdictsorfinal
11	judgments-for-defendants;
12	<pre>txvi;-the-totalnumberoffinalverdictsorfinal</pre>
13	<del>judgments-for-plaintiffs;-and</del>
14	(xvii)-suchotherinformationasthe-department-may
15	requires
16	121-THEBEPGRESHALLINGLUBETHEFOLLOWING
17	INFORMATION:
18	tat==THE=NAME=BE=THE=ENSURANCE=COMPANYs
19	181THE-KINDS-GE-INSURANCE-THAT-THE-EBMPANY-WRITES-AND
20	THESTATESINWHIGH-IHE-GONPANY-ISSUES-POLICIES-PROVIDING
21	INSURANCE-AGAINST-PRODUCT-LIABILITY-LOSSES1
22	#C+THE-AMOUNT-DE-PRODUCT-LEADELETY-ENSURANCE-PREMIUMS
23	COLLECTED FOR-THE-YEAR - INDICATING-THE-AMOUNT OF-PREMIUMS
24	<u>ALLEGABLE-TO-MONTANA:AND-THE-TOTAL-NATIONHIDE-AMOUNTs-ON+</u>

111--POLICIES--INSURING--GNLY-AGAINST-PRODUCT-LIABILITY

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1	<del>LBSSES1</del>	1	DEATHOR-PROPERTY-DAMAGE-ALLOGATED-TO-MOD
2	<u> 1111-POLICIES-THAT-INCLUDEINSURANCEAGAINSTPRODUCI</u>	2	THERE-HAS-BEEN-A-FINAL
3	LIABILITY	3	AMOUNTORIETHEREHASBEENAFINAL
4	DIVISIBLE-AND-IDENTIFIABLE:-AND	4	RESULTING-IN-A-LOSS-PAYMENT-ON-BEHALF-BE-T
5	######################################	5	111==EAGH-GLA1M=FILE=NVMBER-ANB-GBUNI
6	±855£5±	6	#E-ANY:
7	101	7	<u> </u>
8	NOT-SHOWN-UNDER-SUBSECTION (2) (6) (11) FORINSURANCETHAT	8	EACH-CLAIM:
9	INCLUDES COVERAGE - FOR PRODUCT - LIABILITY - IF - THE - PREMIUMS - ARE	9	####=#HE-RATING-ELASSIFICATION-CODE
10	NOT-DIVISIBLE-BUT-AREFOR-EXPERIENCEPURPOSESSEPARATELY	10	INVOLVED-IN-EACH-ELAIM:
11	ALLGEAGLE-FOR-MONTANA-AND-NATIONWIDE:	11	1111-THEDATEBEBEGURRENGEFROM
12	tet:nformationforproductLiabilityinsurance	12	#RB5E1
13	EXPERIENCE-SEPARATELY-ALLOGATED-TBMONTAWAANDMATIONWIDE	13	###==#HE=STATE=##=################################
14	SHOWING-THE:	14	WAS-AD-WOIGATEDSETTLEDOR-OTHER-DISPOS
15	1111816t-AMBUNT-SE-EARNES-PRENTUMS:	15	<u> 1711-IHE-DATE-LEGAL-AETION-EOMMENGED</u>
16	tii:=IBIAL==AMOHNI-=BE==INEURRED==LOSSESx=INELUBING=ALL	16	<u> </u>
17	LUSS-ADAUSTMENT-EXPENSES	17	SETTLEMENT
18	11111-AMOUNT-BEINCURREDLOSSESINGLUDINGALLLOSS	18	ELAIMANTS-INVOLVED-IN-THE-BISEGSITIONBE
19	ADJUSTMENTEXPENSEREPRESENTERBYRESERVESBTHERTHAN	19	SETTLEMENT TOGETHER WITH THE AMOUNT - RE
20	INCURRED-BUT-NOT-REPORTED-RESERVEST-AND	20	PARTY:
21	<u> 1141-AMOUNT-BE-RESERVES-REPRESENTED-BY-INGURRED-BUT-NOT</u>	21	<u> </u>
22	REPORTED-RESERVES - TOGETHER-WITH THE FORMULA-USED-TO-DEVELOP	22	ELAIM-IE-THERE-VAS-NG-FINAL-JUDGMENT-GR-SI
23	SUCH-INCURRED-BUT-NOT-REPORTED-RESERVES-AND-:THE:-ALLOGATION	23	1111-A-BRIEF-DESERIPTION-DE-THE-DEEH
24	THEREBE-TO-EACH-STATES-AND	24	THE-GLASH-AROSE:
25	tft=-FGRANY-CLAIM-LGSSGR-ACTION-FGR-BODILY-INSURY-	25	<u> </u>

1	DEATH = GR = PROPERTY = DAMAGE = ALLOGATED = TO-MONTANA = EXPERTENCE = E
2	THERE-HAS-BEEN-A-FINAL-AUGGMENTORA-SETTLEMENTINANY
3	AMOUNTORIEINGREHASBEENAFINALDISPOSITIONNGI
4	RESULTING-IN-A-LOSS-PAYMENT-ON-BEHALE-BE-THE-INSURED:
5	######################################
6	#E-ANY:
7	<u> 1111-ABESERIPIIBNBE-THE-TYPE-BF-PROBUCT-INYBLYED-IN</u>
8	EACH-CLAIM:
9	######################################
0	INVBLYED-IN-EAGH-ELAIM:
1	######################################
2	#R9562
3	###==#HE-STATE=BR-BTHER-#WRISDIETION-WHEREIN-EACH-GLAIM
4	WAS-ADAUDIGATED,-SETTLED,-OR-OTHER-DISPOSITION-MADE:
5	1YII-IHE-BATE-LEGAL-ACTION-COMMEMCOV-IE-CILCON
6	<u> 17111-THEBATEAMBAHGUNTBEEINALAUGGMENTGR</u>
7	SETTLEMENT IE ANY AND THE NUMBER GE PLAINT IEES GR
8	CLAIMANTS:INVOLVED-IN-THE-BISPOSITION:-BETHEDUBSMENTBR
9	SETTLEMENT TOGETHER WITH-THE-AMOUNT-REGETVED-BY-EACH-SHEH
0	PARTY
1	<u> </u>
2	GLAIM-IF-THERE-WAS-NO-FINAL-JUDGMENT-OR-SETTLEMENTA
3	11X1=A-DRIEE-DESERIPTION-DE-THE-DEEURRENGE-OUT-DE-WHICH
4	THE-GLAIM-ARGSES

-6-

-7-

1	1813-116-10761-18080ERSESEEELSTESELSTESWITHOUT	1	LOSS ADJUSTMENT EXPENSES
2	PAYMENTS	2	(1111) AMOUNT OF RESERVES FOR BOTH REPORTED AND
3	ENTIS THE TOTAL MANDER OF CLAIMS CLOSED HITH PAYMENTS	3	UNREPORTED INCURRED LOSSES: AND
4	AS-A-RESWLT-OF-FINAL-AVEGNENT-AND-THE-TOTAL-ANGUNTPAID	4	(1Y) ANOUNT OF OTHER RESERVES FOR OTHER PRODUCT
5	THEREGOE:	5	LIABILITY LOSSES: AND
6	###### THE TOTAL NAMED CO. OF CLAIMS CLOSED-WITH-PAYMENT	6	1C) FOR ANY CLAIM. LOSS. OR ACTION FOR BODILY INJURY.
7	BASED ON A SETTLEMENT PRIOR TO FINAL AND CHENT AND THE TOTAL	7	DEATH- OR PROPERTY DAMAGE ALLOCATED TO MONTANA EXPERIENCE IF
8	ANGUNT-PATO-THEREGRE	8	THERE HAS BEEN A FINAL JUDGMENT OR A SETTLEMENT IN ANY
9	1877) THE TOTAL NUMBER OF SULTS FILEDS	9	AMOUNT OR IF THERE HAS BEEN A FINAL DISPOSITION NOT
10	**************************************	10	RESULTING IN A LOSS PAYMENT ON BEHALF OF THE INSURED:
11	AUBCHEMTS-FOR-DEFEMBANTS:	11	111 A DESCRIPTION OF THE TYPE OF PRODUCT INVOLVED IN
12	**************************************	12	EACH CLAIM:
13	AMBGMENTS-EGR-PLAINTIFFS+-AND	13	(11) THE DATE OF OCCURRENCE FROM WHICH EACH CLAIM
14	****** SHEU - OTHER - INFORMATION - AS-INE-DECARTMENT HAY	14	AROSE:
15	<u>arousars</u>	15	11111 THE STATE OR OTHER JURISDICTION WHEREIN EACH
16	(2) THE REPORT SHALL INCLUDE THE FOLLOWING	16	CLAIR MAS ADJUDICATED. SETTLED. OR OTHER DISPOSITION MADE:
17	INFORMATION:	17	(IV) THE DATE LEGAL ACTION COMMENCED. IF FILED:
18	(A) THE AMOUNT OF PRODUCT LIABILITY INSURANCE PREMIUMS	18	(V) A BRIEF DESCRIPTION OF THE OCCURRENCE OUT OF WHICH
19	COLLECTED FOR THE YEAR. INDICATING THE AMOUNT OF PREMIUMS	19	THE CLAIM AROSE:
20	ALLOCABLE TO MONTANA AND THE TOTAL NATIONNIDE AMOUNT:	20	(VI) THE TOTAL NUMBER OF ALL CLAIMS:
21	(B) INFORMATION FOR PRODUCT LIABILITY INSURANCE	21	(VII) THE TOTAL NUMBER OF ALL CLAIMS CLOSED HITHOUT
22	EXPERIENCE SEPARATELY ALLOCATED TO MONTANA AND NATIONHIDE	22	PAYMENTS:
23	SHOWING THE:	23	(VIII) THE TOTAL NUMBER OF FINAL VERDICTS OR FINAL
24	(1) TOTAL AMOUNT OF FARMED PREFIUMS:	24	JUDGMENTS FOR DEFENDANTS:
25	(II) TOTAL AMOUNT OF INCURRED LOSSES. INCLUDING ALL	25	(IX) THE TOTAL NUMBER OF FINAL VERDICTS OR FINAL

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JUDGMENTS FOR PLAINT FEST AND

(X) SUCH OTHER INFORMATION AS THE DEPARTMENT MAY

3 REQUIRE.

to [section 1].

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10 11

12 13 Section 2. Department to make reports available. The department of insurance shall make the reports required under [section 1] available to the public on request at a fee prescribed by the department, not to exceed reasonable costs, and in a manner that does not reveal the names of any manufacturer, distributor, seller, or other person involved.

Section 3. Insurer not liable for making report. No liability may arise against any insurer or against its agents or employees as a result of making a report pursuant

-End-

# HOUSE OF REPRESENTATIVES

Judiciary Committee amendments to SENATE BILL NO. 284, third reading copy, as follows:

- 1. Page 1, line 10.
  Following: line 9
  Insert: "(1)"
- 2. Page 4, line 16. Following: line 15
- Insert: "(2) The report shall include the following information:
  - (a) the name of the insurance company;
  - (b) the kinds of insurance that the company writes and the states in which the company issues policies providing insurance against product liability losses;
  - (c) the amount of product liability insurance premiums collected for the year, indicating the amount of premiums allocable to Montana and the total nationwide amount, on:
    - (i) policies insuring only against product liability losses;
  - (ii) policies that include insurance against product liability losses among other losses if the premiums are divisible and identifiable; and
    - (iii) policies for excess coverage on product liability losses;
  - (d) the amount of product liability insurance premiums not shown under subsection (2) (c) (ii) for insurance that includes coverage for product liability if the premiums are not divisible but are, for experience purposes, separately allocable for Montana and nationwide;
  - (e) information for product liability insurance experience separately allocated to Montana and nationwide showing the:
    - (i) total amount of earned premiums;
  - (ii) total amount of incurred losses, including all loss adjustment expense;
  - (iii) amount of incurred losses including all loss adjustment expense represented by reserves other than incurred but not reported reserves; and
  - (iv) amount of reserves represented by incurred but not reported reserves, together with the formula used to develop such incurred but not reported reserves and the allocation thereof to each state; and
  - (f) for any claim, loss, or action for bodily injury, death, or property damage allocated to Montana experience if there has been a final judgment or a settlement in any amount or if there has been a final disposition not resulting in a loss payment on behalf of the insured:
    - (i) each claim file number and county in which filed, if any;

(continued)

- (ii) a description of the type of product involved in each claim;
- (iii) the rating classification code for the product involved in each claim;
  - (iv) the date of occurrence from which each claim arose;
- (v) the state or other jurisdiction wherein each claim was adjudicated, settled, or other disposition made;
  - (vi) the date legal action commenced, if filed;
- (vii) the date and amount of final judgment or settlement, if any, and the number of plaintiffs or claimants involved in the disposition of the judgment or settlement, together with the amount received by each such party;
- (viii) the date and basis for final disposition of each claim if there was no final judgment or settlement;
- (ix) a brief description of the occurrence out of which the claim arose;
  - (x) the total number of all claims;
  - (xi) the total number of all claims closed without payments;
- (xii) the total number of claims closed with payments as a result of final judgment and the total amount paid thereon;
- (xiii) the total number of claims closed with payment based on a settlement prior to final judgment and the total amount paid thereon;
  - (xiv) the total number of suits filed;
- (xv) the total number of final verdicts or final judgments for defendants;
- (xvi) the total number of final verdicts or final judgments for plaintiffs; and
  - (xvii) such other information as the department may require.