

H.B. 24

INSURANCE MODIFICATIONS

HOUSE FLOOR AMENDMENTS

AMENDMENT 1

JANUARY 24, 2015 9:30 AM

Representative **James A. Dunnigan** proposes the following amendments:

1. *Page 1, Line 11:*

11 This bill modifies the Insurance Code and provisions citing the Insurance Code .

2. *Page 3, Line 75:*

75 ▶ addresses stop-loss insurance coverage standards; ~~{-and}~~
▶ extends the Defined Contribution Risk Adjuster Act; and

3. *Page 4, Lines 114 through 115:*

114 31A-43-301, as last amended by Laws of Utah 2014, Chapters 290 and 300
= 63I-2-231, as last amended by Laws of Utah 2013, Chapter 341
115 ENACTS:

4. *Page 71, Lines 2173 through 2181:*

2173 ~~{-(d) The board of directors of a domestic insurer shall establish one or more committees~~
2174 ~~composed solely of directors who are not officers or employees of the insurer or of any entity~~
2175 ~~controlling, controlled by, or under common control with the insurer and who are not beneficial~~
2176 ~~owners of a controlling interest in the voting stock of the insurer or any such entity. The one or~~
2177 ~~more committees shall have responsibility for nominating candidates for director for election~~
2178 ~~by shareholders or policyholders, evaluating the performance of officers considered to be~~
2179 ~~principal officers of the insurer and recommending to the board of directors the selection and~~
2180 ~~compensation of the principal officers.}~~
2181 ~~{(e) Subsections (3)(c) and (d) do}~~ (d) Subsection (3)(c) does not apply to a domestic
insurer if the person

5. *Page 71, Lines 2184 through 2185:*

2184 the requirements of ~~{Subsections (3)(c) and (d)}~~ Subsection (3)(c) with respect to the controlling
entity.
2185 ~~{(f)}~~ (e) An insurer may make application to the commissioner for a waiver from the

6. *Page 108, Lines 3332 through 3335:*

3332 (2) An insurer may not exercise any right of subrogation against an insolvent insurer's

3333 insured if exercise of the right would require the insured, or a guaranty fund under ~~{Chapter 28,~~
3334 ~~Guaranty Associations,}~~ this chapter to pay an amount the insolvent insurer is obligated to pay under
an
3335 insurance policy issued to the insured , except that an insurer may exercise a right of subrogation for the
amount the subrogation claim exceeds the guaranty association obligation limitations .

7. Page 142, Line 4392:

4392 (b) pay claims directly to an individual employee, member, or participant.
= Section 55. Section 63I-2-231 is amended to read:
63I-2-231. Repeal dates, Title 31A.
(1) Section 31A-22-315.5 is repealed July 1, 2016.
(2) Title 31A, Chapter 42, Defined Contribution Risk Adjuster Act, is repealed July 1,
~~{2015}~~ 2016 .

Renumber remaining sections accordingly.

8. Page 143, Lines 4401 through 4403:

4401 Section 55. Effective date.
4402 This bill takes effect on May 12, 2015, except that :
(1) the amendments in this bill to
4403 Section 31A-3-304 (Effective 07/01/15) take effect on July 1, 2015 {.:} ; and
(2) the enactment of the following sections in this bill take effect on January 1, 2017:
(a) Section 31A-16a-101;
(b) Section 31A-16a-102;
(c) Section 31A-16a-103;
(d) Section 31A-16a-104;
(e) Section 31A-16a-105;
(f) Section 31A-16a-106;
(g) Section 31A-16a-107;
(h) Section 31A-16a-108;
(i) Section 31A-16a-109; and
(j) Section 31A-16a-110. =