

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 1008

94TH GENERAL ASSEMBLY

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Reported from the Committee on Small Business, Insurance and Industrial Relations, February 21, 2008, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

4529S.03C

TERRY L. SPIELER, Secretary.

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## 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.

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*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Section A. Section 379.118, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 374.056, 374.057, and 379.118, to read as follows: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 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 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are**

19 **nonseverable and if any of the powers vested with the general assembly**  
20 **pursuant to chapter 536, RSMo, to review, to delay the effective date,**  
21 **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 325, 354, and 375 to 385, RSMo,**  
3 **or a rule adopted thereunder, when carried out in a manner consistent**  
4 **with Section 104(a) of the federal Electronic Signatures in Global and**  
5 **National Commerce Act, 15 U.S.C. Section 7004(a). This section**  
6 **modifies, limits, and supersedes the federal Electronic Signatures in**  
7 **Global and National Commerce Act, but does not modify, limit, or**  
8 **supersede Section 101(c) of the federal Electronic Signatures in Global**  
9 **and National Commerce Act, 15 U.S.C. Section 7001(c), or authorize the**  
10 **electronic delivery of any of the notices described in Section 103(b) of**  
11 **the federal Electronic Signatures in Global and National Commerce Act,**  
12 **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 or made in**  
24 **writing by the policyholder. The insurer shall comply with any**  
25 **subsequent request by a policyholder to rescind authorization for**  
26 **electronic delivery and to elect to receive renewal notices by first class**  
27 **mail. Any delivery of a renewal notice by electronic means shall not**  
28 **constitute notice of cancellation of a policy even if such notice is**  
29 **included with the renewal notice.**

Unofficial ✓

Bill

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