

PROPOSED AMENDMENT

HB 1238 # 7

DIGEST

Group property and casualty insurance. Amends the new chapter authorizing insurers to provide property and casualty insurance on group bases to provide that: (1) the group to which the group insurance is provided must consist of 10 or more commercial, business, or not-for-profit entities; and (2) the 10 or more entities must have a preexisting relationship to one another through a common trade, association, affiliation, or other organizational relationship that is separate and distinct from any group insurance arrangement of the group.

- 1 Page 5, line 38, delete "Commercial".
- 2 Page 5, line 39, after "Insurance" insert **"for Permitted Groups"**.
- 3 Page 5, between lines 39 and 40, begin a new paragraph and insert:
- 4 **"Sec. 1. As used in this chapter, "permitted group" means a**
- 5 **group of ten (10) or more commercial, business, or not-for-profit**
- 6 **entities that have a preexisting relationship to one another**
- 7 **through:**
- 8 **(1) a common trade;**
- 9 **(2) an association;**
- 10 **(3) an affiliation; or**
- 11 **(4) another organizational relationship that is separate and**
- 12 **distinct from any group insurance arrangement of the**
- 13 **group."**
- 14 Page 5, line 40, delete "1." and insert "2.".
- 15 Page 5, line 41, after "means" insert **"one (1) or more of"**.
- 16 Page 6, line 1, delete "2." and insert "3.".
- 17 Page 6, line 4, delete "3." and insert **"4. (a)"**.
- 18 Page 6, line 6, delete "commercial".
- 19 Page 6, line 6, delete "coverage" and insert **"to a permitted group"**.
- 20 Page 6, between lines 7 and 8, begin a new paragraph and insert:
- 21 **"(b) A policy may not be issued or renewed to provide group**
- 22 **coverage under this chapter to a group that includes fewer than ten**
- 23 **(10) commercial, business, or not-for-profit entities as part of the**
- 24 **group."**
- 25 Page 6, line 8, delete "4." and insert **"5."**.

(Reference is to HB 1238 as printed January 18, 2022.)