

Amendments to Senate Bill No. 123
1st Reading Copy

Requested by Senator Bruce Tutvedt

For the Senate Business, Labor, and Economic Affairs Committee

Prepared by Jameson Walker
February 2, 2015 (3:14pm)

1. Title, page 1, line 18.

Following: "33-16-1021,"

Insert: "33-16-1033,"

2. Page 2, line 17 through line 18.

Strike: "for" on line 17 through "plan" on line 18

3. Page 14, line 13.

Following: line 12

Insert: "**Section 11.** Section 33-16-1033, MCA, is amended to read:

"33-16-1033. Advisory organization -- permitted activity.

An advisory organization may:

(1) develop statistical plans, including class definitions;
(2) collect statistical data from members, subscribers, or any other source;

(3) prepare and distribute pure premium rate data, adjusted for loss development and loss trending, in accordance with its statistical plan. The data and adjustments must be in sufficient detail to permit insurers to modify pure premiums based upon their own rating methods or interpretations of underlying data.

(4) prepare and distribute manuals for rating rules and rating schedules that do not contain any rules or schedules, including final rates, without information outside the manuals;

(5) distribute information that is filed with the commissioner and open to public inspection;

(6) conduct research and collect statistics in order to discover, identify, and classify information relating to causes or prevention of losses;

(7) prepare and file policy forms and endorsements and consult with members, subscribers, and others relative to their use and application;

(8) collect, compile, and distribute past and current prices of individual insurers, if the information is made available to the general public;

(9) conduct research and collect information to determine the impact of benefit level changes on pure premium rates;

(10) prepare and distribute rules and rating values for the uniform experience rating plan; and

(11) calculate and disseminate individual risk premium

modification factors. Individual risk premium modification factors may only be disseminated to:

(a) a licensed producer or ~~a plan No. 2 or plan No. 3~~ an insurer for the business of insurance only; and

(b) the department of labor and industry for regulatory purposes only. Individual employer payroll and loss information may be provided to a person other than the current licensed producer or ~~a plan No. 2 or plan No. 3~~ an insurer only after obtaining the employer's written permission."

{ Internal References to 33-16-1033:

33-16-303 * 33-16-1034 33-16-1035 * }

Renumber: subsequent sections

4. Page 18, line 24.

Following: "shall file"

Insert: "the rates and supplementary rate information"

5. Page 21, line 27.

Following: "January 1, 2016."

Insert: "The state fund and the insurance commissioner shall provide periodic updates to the economic affairs interim committee."

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