

1 HOUSE BILL NO. 836  
2 INTRODUCED BY K. ZOLNIKOV

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4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR THE COMMISSIONER OF INSURANCE TO  
5 ISSUE A REGULATORY SANDBOX WAIVER; ALLOWING THE COMMISSIONER TO GRANT A VARIANCE  
6 OR WAIVER WITH RESPECT TO REQUIREMENTS OF THE INSURANCE CODE; PROVIDING FOR  
7 APPLICATIONS TO THE COMMISSIONER; PROVIDING FOR CONSIDERATIONS IN GRANTING THE  
8 WAIVER; PROVIDING LIMITS ON THE GRANT OF A WAIVER; PROVIDING FOR CONSUMER  
9 DISCLOSURES; PROVIDING FOR TIME LIMITATIONS ON THE GRANT OF A WAIVER; PROVIDING FOR  
10 FEES AND PENALTIES; PROVIDING RULEMAKING AUTHORITY; AMENDING SECTION 33-1-102, MCA;  
11 AND PROVIDING ~~AN EFFECTIVE DATE AND~~ A TERMINATION DATE."

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

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15 **NEW SECTION. Section 1. Regulatory sandbox waiver -- application -- considerations by the**  
16 **commissioner -- limitations -- rulemaking.** (1) The commissioner may grant a variance or waiver with respect  
17 to the requirements of an insurance law or rule if a property or casualty insurer, subject to that law or rule,  
18 demonstrates to the satisfaction of the commissioner that:

19 (a) the application of the law or rule would prohibit the introduction of an innovative or more  
20 efficient insurance product or service that the applicant intends to offer during the period the variance or waiver  
21 is granted;

22 (b) the public policy goals of the law or rule may be achieved by other means;

23 (c) the waiver may not substantially increase any risk to consumers;

24 (d) the waiver may not cause a material negative impact to the insurer in matters including but not  
25 limited to solvency; and

26 (e) the waiver is in the public interest.

27 (2) An application for a waiver must include the following information:

28 (a) the identity of the insurer applying for the waiver;

1 for the financial risk under the contract with the third party as provided in 7-34-103.

2 (b) If the financial risk for ambulance service insurance is with an entity other than the county, city,  
3 or town, the entity is subject to the provisions of this code.

4 (12) This code does not apply to the self-insured student health plan established in Title 20, chapter  
5 25, part 14.

6 (13) Except as provided in 33-2-2212, this code does not apply to private air ambulance services  
7 that are in compliance with 50-6-320 and that solicit membership subscriptions, accept membership  
8 applications, charge membership fees, and provide air ambulance services to subscription members and  
9 designated members of their households.

10 (14) This code does not apply to guaranteed asset protection waivers that are governed by Title 30,  
11 chapter 14, part 22.

12 (15) This code does not apply to direct patient care agreements established pursuant to 50-4-107.

13 (16) This code does not apply to a health care sharing ministry that meets the requirements of 50-4-  
14 111.

15 (17) This code does not apply to a regulatory sandbox waiver, except as otherwise specified by the  
16 commissioner or as provided in [section 1]."

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18 **NEW SECTION. Section 3. Codification instruction.** [Section 1] is intended to be codified as an  
19 integral part of Title 33, and the provisions of Title 33 apply to [section 1].

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21 **NEW SECTION. Section 4. Severability.** If a part of [this act] is invalid, all valid parts that are  
22 severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its applications,  
23 the part remains in effect in all valid applications that are severable from the invalid applications.

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25 **NEW SECTION. Section 5. — Effective date.** ~~[This act] is effective July 1, 2023.~~

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27 **NEW SECTION. Section 5. Termination.** [This act] terminates July 30, 2029.

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