

CONFERENCE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 2168

AN ACT

To repeal sections 288.132, 303.025, 303.041, 319.129, 375.159, 376.380, 376.1800, and 379.011, RSMo, and to enact in lieu thereof nine new sections relating to insurance, with penalty provisions and a delayed effective date for certain sections.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Sections 288.132, 303.025, 303.041, 319.129, 2 375.159, 376.380, 376.1800, and 379.011, RSMo, are repealed and 3 nine new sections enacted in lieu thereof, to be known as sections 4 288.132, 288.133, 303.025, 303.041, 319.129, 375.159, 376.380, 5 376.1800, and 379.011, to read as follows:

288.132. 1. There is hereby created in the state treasury 2 the "Unemployment Automation Fund", which shall consist of money 3 collected [~~under subsection 1 of section 288.131~~] pursuant to 4 section 288.133, and such other state funds appropriated by the 5 general assembly. The state treasurer shall be custodian of the

6 fund and may approve disbursements from the fund in accordance with
7 sections 30.170 and 30.180. Upon appropriation, money in the fund
8 shall be used solely for the purpose of providing automated
9 systems, and the payment of associated costs, to improve the
10 administration of the state's unemployment insurance program.
11 Notwithstanding the provisions of section 33.080 to the contrary,
12 all moneys remaining in the fund at the end of the biennium shall
13 not revert to the credit of the general revenue fund. The state
14 treasurer shall invest moneys in the fund in the same manner as
15 other funds are invested. Any interest and money earned on such
16 investments shall be credited to the fund.

17 2. The unemployment automation fund shall not be used in
18 whole or in part for any purpose or in any manner that would permit
19 its substitution for, or a corresponding reduction in, federal
20 funds that would be available in its absence to finance
21 expenditures for the administration of this chapter, or cause the
22 appropriate agency of the United States government to withhold any
23 part of an administrative grant which would otherwise be made.

2 288.133. 1. Each employer liable for contributions pursuant
3 to this chapter, except employers with a contribution rate equal to
4 zero, shall pay an annual unemployment automation adjustment in an
5 amount equal to two one-hundredths of one percent of such
6 employer's total taxable wages for the twelve-month period ending
7 the preceding June thirtieth.

8 2. Notwithstanding subsection 1 of this section to the
9 contrary, the division may reduce the automation adjustment
percentage to ensure that the total amount of adjustment due from

10 all employers under this section shall not exceed five million
11 dollars annually.

12 3. Each employer liable to pay an automation adjustment shall
13 be notified of the amount due under this section by March thirty-
14 first of each year and such amount shall be considered delinquent
15 thirty days thereafter. Delinquent unemployment automation
16 adjustment amounts may be collected in the manner provided under
17 sections 288.160 and 288.170. All moneys collected under this
18 section shall be deposited in the unemployment automation fund
19 established in section 288.132.

20 4. For the first quarter of each calendar year, the total
21 amount of contribution otherwise due from each employer liable to
22 pay contributions under this chapter shall be reduced by the dollar
23 amount of unemployment automation adjustment due from such
24 employer pursuant to subsection 1 of this section. However, the
25 amount of contributions due from such employer for the first
26 quarter of the calendar year in question shall not be reduced below
27 zero.

303.025. 1. No owner of a motor vehicle registered in this
2 state, or required to be registered in this state, shall operate,
3 register or maintain registration of a motor vehicle, or permit
4 another person to operate such vehicle, unless the owner maintains
5 the financial responsibility which conforms to the requirements of
6 the laws of this state. No nonresident shall operate or permit
7 another person to operate in this state a motor vehicle registered
8 to such nonresident unless the nonresident maintains the financial
9 responsibility which conforms to the requirements of the laws of

10 the nonresident's state of residence. Furthermore, no person
11 shall operate a motor vehicle owned by another with the knowledge
12 that the owner has not maintained financial responsibility unless
13 such person has financial responsibility which covers the person's
14 operation of the other's vehicle; however, no owner or nonresident
15 shall be in violation of this subsection if he or she fails to
16 maintain financial responsibility on a motor vehicle which is
17 inoperable or being stored and not in operation. The director of
18 the department of revenue shall establish by rule a process for
19 voluntary suspension of motor vehicle registration for vehicles
20 which are inoperable or being stored and not in operation. The
21 owner or nonresident shall not further operate the vehicle until
22 the owner or nonresident notifies the department of revenue that
23 the vehicle will be in use, and the department shall reinstate the
24 motor vehicle registration upon receipt of proof of financial
25 responsibility. Owners or nonresidents who operate a motor
26 vehicle during a period of inoperability or storage claimed under
27 this subsection shall be guilty of a class B misdemeanor and may
28 additionally be guilty of a violation of this subsection.
29 Notwithstanding any provision of law to the contrary, the
30 department of revenue may verify motor vehicle financial
31 responsibility as provided by law, but shall not otherwise take
32 legal or administrative action to enforce the requirements of this
33 section unless, in the discretion of the director, the motor
34 vehicle is determined to have been operated in violation of this
35 section, a motor vehicle registration is applied for in violation
36 of this section, or the motor vehicle on two separate occasions

37 thirty days apart is determined to have its registration
38 maintained in violation of this section. The director may
39 prescribe rules and regulations for the implementation of this
40 section.

41 2. A motor vehicle owner shall maintain the owner's financial
42 responsibility in a manner provided for in section 303.160, or with
43 a motor vehicle liability policy which conforms to the
44 requirements of the laws of this state. A nonresident motor
45 vehicle owner shall maintain the owner's financial responsibility
46 which conforms to the requirements of the laws of the nonresident's
47 state of residence.

48 3. Any person who violates this section is guilty of a
49 misdemeanor. Except as otherwise provided in this section, a first
50 violation of this section shall be punishable as a class D
51 misdemeanor. A second or subsequent violation of this section
52 ~~[shall]~~ may be ~~[punishable]~~ punished by imprisonment in the county
53 jail for a term not to exceed fifteen days ~~[and/or]~~ and shall be
54 punished by a fine not less than two hundred dollars but not to
55 exceed five hundred dollars. Prior pleas of guilty and prior
56 findings of guilty shall be pleaded and proven in the same manner
57 as required by section 558.021. However, no person shall be found
58 guilty of violating this section if the operator demonstrates to
59 the court that he or she met the financial responsibility
60 requirements of this section at the time the peace officer,
61 commercial vehicle enforcement officer or commercial vehicle
62 inspector wrote the citation. In addition to any other authorized
63 punishment, the court shall notify the director of revenue of any

64 person convicted pursuant to this section and shall do one of the
65 following:

66 (1) Enter an order suspending the driving privilege as of the
67 date of the court order. If the court orders the suspension of the
68 driving privilege, the court shall require the defendant to
69 surrender to it any driver's license then held by such person. The
70 length of the suspension shall be as prescribed in subsection 2 of
71 section 303.042. The court shall forward to the director of
72 revenue the order of suspension of driving privilege and any
73 license surrendered within ten days;

74 (2) Forward the record of the conviction for an assessment of
75 four points;

76 (3) In lieu of an assessment of points, render an order of
77 supervision as provided in section 302.303. An order of
78 supervision shall not be used in lieu of points more than one time
79 in any thirty-six-month period. Every court having jurisdiction
80 pursuant to the provisions of this section shall forward a record
81 of conviction to the Missouri state highway patrol, or at the
82 written direction of the Missouri state highway patrol, to the
83 department of revenue, in a manner approved by the director of the
84 department of public safety. The director shall establish
85 procedures for the record keeping and administration of this
86 section; or

87 (4) For a nonresident, suspend the nonresident's driving
88 privileges in this state in accordance with section 303.030 and
89 notify the official in charge of the issuance of licenses and
90 registration certificates in the state in which such nonresident

91 resides in accordance with section 303.080.

92 4. Nothing in sections 303.010 to 303.050, 303.060, 303.140,
93 303.220, 303.290, 303.330 and 303.370 shall be construed as
94 prohibiting the department of commerce and insurance from
95 approving or authorizing those exclusions and limitations which
96 are contained in automobile liability insurance policies and the
97 uninsured motorist provisions of automobile liability insurance
98 policies.

99 5. If a court enters an order of suspension, the offender may
100 appeal such order directly pursuant to chapter 512 and the
101 provisions of section 302.311 shall not apply.

102 6. Any fines owed to the state pursuant to this section may
103 be eligible for payment in installments. The director shall
104 promulgate rules for the application of payment plans, which shall
105 take into account individuals' ability to pay.

303.041. 1. If the director determines [~~that as a result of~~
2 ~~a verification sample or accident report that the owner of a motor~~
3 ~~vehicle has not maintained financial responsibility, or if the~~
4 ~~director determines as a result of an order of supervision]~~ that
5 the owner or operator of a motor vehicle has not maintained the
6 financial responsibility as required in this chapter, the director
7 shall thirty-three days after mailing notice, suspend the driving
8 privilege of the owner or operator and/or the registration of the
9 vehicle failing to meet such requirement. The notice of suspension
10 shall be mailed to the person at the last known address shown on
11 the department's records. The notice of suspension is deemed
12 received three days after mailing. The notice of suspension shall

13 clearly specify the reason and statutory grounds for the
14 suspension and the effective date of the suspension, the right of
15 the person to request a hearing, the procedure for requesting a
16 hearing, and the date by which that request for a hearing must be
17 made. If the request for a hearing is received by the department
18 prior to the effective date of the suspension, the effective date
19 of the suspension will be stayed until a final order is issued
20 following the hearing.

21 2. Except as otherwise provided by law, neither the fact that
22 subsequent to the date of verification or conviction, the owner
23 acquired the required liability insurance policy nor the fact that
24 the owner terminated ownership of the motor vehicle, shall have any
25 bearing upon the director's decision to suspend. Until it is
26 terminated, the suspension shall remain in force after the
27 registration is renewed or a new registration is acquired for the
28 motor vehicle. The suspension also shall apply to any motor
29 vehicle to which the owner transfers the registration. Effective
30 January 1, 2000, the department shall not extend any suspension for
31 failure to pay a delinquent late surrender fee pursuant to this
32 subsection.

319.129. 1. There is hereby created a special trust fund to
2 be known as the "Petroleum Storage Tank Insurance Fund" within the
3 state treasury which shall be the successor to the underground
4 storage tank insurance fund. Moneys in such special trust fund
5 shall not be deemed to be state funds. Notwithstanding the
6 provisions of section 33.080 to the contrary, moneys in the fund
7 shall not be transferred to general revenue at the end of each

8 biennium.

9 2. The owner or operator of any underground storage tank,
10 including the state of Missouri and its political subdivisions and
11 public transportation systems, in service on August 28, 1989,
12 shall submit to the department a fee of one hundred dollars per
13 tank on or before December 31, 1989. The owner or operator of any
14 underground storage tank who seeks to participate in the petroleum
15 storage tank insurance fund, including the state of Missouri and
16 its political subdivisions and public transportation systems, and
17 whose underground storage tank is brought into service after
18 August 28, 1998, shall transmit one hundred dollars per tank to the
19 board with his or her initial application. Such amount shall be a
20 one-time payment, and shall be in addition to the payment required
21 by section 319.133. The owner or operator of any aboveground
22 storage tank regulated by this chapter, including the state of
23 Missouri and its political subdivisions and public transportation
24 systems, who seeks to participate in the petroleum storage tank
25 insurance fund, shall transmit one hundred dollars per tank to the
26 board with his or her initial application. Such amount shall be a
27 one-time payment and shall be in addition to the payment required
28 by section 319.133. Moneys received pursuant to this section shall
29 be transmitted to the director of revenue for deposit in the
30 petroleum storage tank insurance fund.

31 3. The state treasurer may deposit moneys in the fund in any
32 of the qualified depositories of the state. All such deposits
33 shall be secured in a manner and upon the terms as are provided by
34 law relative to state deposits. Interest earned shall be credited

35 to the petroleum storage tank insurance fund.

36 4. The general administration of the fund and the
37 responsibility for the proper operation of the fund, including all
38 decisions relating to payments from the fund, are hereby vested in
39 a board of trustees. The board of trustees shall consist of the
40 commissioner of administration or the commissioner's designee, the
41 director of the department of natural resources or the director's
42 designee, the director of the department of agriculture or the
43 director's designee, and eight citizens appointed by the governor
44 with the advice and consent of the senate. Three of the appointed
45 members shall be owners or operators of retail petroleum storage
46 tanks, including one tank owner or operator of greater than one
47 hundred tanks; one tank owner or operator of less than one hundred
48 tanks; and one aboveground storage tank owner or operator. One
49 appointed trustee shall represent a financial lending institution,
50 and one appointed trustee shall represent the insurance
51 underwriting industry. One appointed trustee shall represent
52 industrial or commercial users of petroleum. The two remaining
53 appointed citizens shall have no petroleum-related business
54 interest, and shall represent the nonregulated public at large.
55 The members appointed by the governor shall serve four-year terms
56 except that the governor shall designate two of the original
57 appointees to be appointed for one year, two to be appointed for
58 two years, two to be appointed for three years and two to be
59 appointed for four years. Any vacancies occurring on the board
60 shall be filled in the same manner as provided in this section.

61 5. ~~【The board shall meet in Jefferson City, Missouri, within~~

62 ~~thirty days following August 28, 1996. Thereafter,~~] The board
63 shall meet upon the written call of the chairman of the board or by
64 the agreement of any six members of the board. Notice of each
65 meeting shall be delivered to all other trustees in person or by
66 registered mail not less than six days prior to the date fixed for
67 the meeting. The board may meet at any time by unanimous mutual
68 consent. There shall be at least one meeting in each quarter.

69 6. Six trustees shall constitute a quorum for the transaction
70 of business, and any official action of the board shall be based on
71 a majority vote of the trustees present.

72 7. The trustees shall serve without compensation but shall
73 receive from the fund their actual and necessary expenses incurred
74 in the performance of their duties for the board.

75 8. The board of trustees shall be a type III agency and shall
76 appoint an executive director and other employees as needed, who
77 shall be state employees and be eligible for all corresponding
78 benefits. The executive director shall have charge of the offices,
79 operations, records, and other employees of the board, subject to
80 the direction of the board. Employees of the board shall receive
81 such salaries and necessary expenses as shall be fixed by the
82 board.

83 9. Staff resources for the Missouri petroleum storage tank
84 insurance fund may be provided by the department of natural
85 resources or another state agency as otherwise specifically
86 determined by the board. The fund shall compensate the department
87 of natural resources or other state agency for all costs of
88 providing staff required by this subsection. Such compensation

89 shall be made pursuant to contracts negotiated between the board
90 and the department of natural resources or other state agency.

91 10. In order to carry out the fiduciary management of the
92 fund, the board may select and employ, or may contract with,
93 persons experienced in insurance underwriting, accounting, the
94 servicing of claims and rate making, and legal counsel to defend
95 third-party claims, who shall serve at the board's pleasure.
96 Invoices for such services shall be presented to the board in
97 sufficient detail to allow a thorough review of the costs of such
98 services.

99 11. ~~At the first meeting of the board,~~ The board shall
100 elect one of its members as chairman. The chairman shall preside
101 over meetings of the board and perform such other duties as shall
102 be required by action of the board.

103 12. The board shall elect one of its members as vice
104 chairman, and the vice chairman shall perform the duties of the
105 chairman in the absence of the latter or upon the chairman's
106 inability or refusal to act.

107 13. The board shall determine and prescribe all rules and
108 regulations as they relate to fiduciary management of the fund,
109 pursuant to the purposes of sections 319.100 to 319.137. In no
110 case shall the board have oversight regarding environmental
111 cleanup standards for petroleum storage tanks.

112 14. No trustee or staff member of the fund shall receive any
113 gain or profit from any moneys or transactions of the fund. This
114 shall not preclude any eligible trustee from making a claim or
115 receiving benefits from the petroleum storage tank insurance fund

116 as provided by sections 319.100 to 319.137.

117 15. The board may reinsure all or a portion of the fund's
118 liability. Any insurer who sells environmental liability
119 insurance in this state may, at the option of the board, reinsure
120 some portion of the fund's liability.

121 16. The petroleum storage tank insurance fund shall expire on
122 December 31, ~~[2025]~~ 2030, unless extended by action of the general
123 assembly. After December 31, ~~[2025]~~ 2030, the board of trustees
124 may continue to function for the sole purpose of completing payment
125 of claims made prior to December 31, ~~[2025]~~ 2030.

126 17. The board shall annually commission an independent
127 financial audit of the petroleum storage tank insurance fund. The
128 board shall biennially commission an actuarial analysis of the
129 petroleum storage tank insurance fund. The results of the
130 financial audit and the actuarial analysis shall be made available
131 to the public. The board may contract with third parties to carry
132 out the requirements of this subsection.

133 18. The board of trustees shall promulgate all necessary
134 rules and regulations for the administration of this section. Any
135 rule or portion of a rule, as that term is defined in section
136 536.010, that is created under the authority delegated in this
137 section shall become effective only if it complies with and is
138 subject to all of the provisions of chapter 536 and, if applicable,
139 section 536.028. This section and chapter 536 are nonseverable and
140 if any of the powers vested with the general assembly pursuant to
141 chapter 536 to review, to delay the effective date, or to
142 disapprove and annul a rule are subsequently held

143 unconstitutional, then the grant of rulemaking authority and any
144 rule proposed or adopted after August 28, 2022, shall be invalid
145 and void.

375.159. 1. As used in this section, the following terms
2 shall mean:

3 (1) "Aggregator site", a website that provides information
4 regarding insurance products from more than one insurer, including
5 product and insurer information, for use in comparison shopping;

6 (2) "Blanket travel insurance", a policy of travel insurance
7 issued to any eligible group providing coverage for specific
8 classes of persons defined in the policy, with coverage provided to
9 all members of the eligible group without a separate charge to
10 individual members of the eligible group;

11 (3) "Cancellation fee waiver", a contractual agreement
12 between a supplier of travel services and its customer to waive
13 some or all of the nonrefundable cancellation fee provisions of the
14 supplier's underlying travel contract with or without regard to
15 the reason for the cancellation or form of reimbursement. A
16 cancellation fee waiver is not insurance;

17 (4) "Director", the director of the department of commerce
18 and insurance;

19 (5) "Eligible group", solely for the purpose of travel
20 insurance, two or more persons who are engaged in a common
21 enterprise or have an economic, educational, or social affinity or
22 relationship, including but not limited to any of the following:

23 (a) Any entity engaged in the business of providing travel or
24 travel services, including but not limited to: tour operators,

25 lodging providers, vacation property owners, hotels and resorts,
26 travel clubs, travel agencies, property managers, cultural
27 exchange programs, and common carriers or the operator, owner, or
28 lessor of a means of transportation of passengers including, but
29 not limited to, airlines, cruise lines, railroads, steamship
30 companies, and public bus carriers, in which there is a common
31 exposure to risk attendant to the particular type of travel or
32 traveler for all members or customers of the group;

33 (b) Any college, school, or other institution of learning,
34 covering students, teachers, employees, or volunteers;

35 (c) Any employer covering any group of employees,
36 volunteers, contractors, members of boards of directors,
37 dependents, or guests;

38 (d) Any sports team, camp, or sponsor thereof, covering
39 participants, members, campers, employees, officials, supervisors,
40 or volunteers;

41 (e) Any religious, charitable, recreational, educational, or
42 civic organization, or branch thereof, covering any group of
43 members, participants, or volunteers;

44 (f) Any financial institution, financial institution vendor,
45 or parent holding company, trustee, or agent of or designated by
46 one or more financial institutions or financial institution
47 vendors, including accountholders, credit card holders, debtors,
48 guarantors, or purchasers;

49 (g) Any incorporated or unincorporated association,
50 including any labor union, having a common interest, constitution,
51 and bylaws, and organized and maintained in good faith for purposes

52 other than obtaining insurance for members or participants of such
53 association covering its members;

54 (h) Any trust or the trustees of a fund established, created,
55 or maintained for the benefit of and covering members, employees,
56 or customers of one or more associations meeting the requirements
57 of paragraph (g) of this subdivision, subject to the director's
58 permission of the use of a trust and the state's premium tax
59 provisions described in subsection 4 of this section;

60 (i) Any entertainment production company covering any group
61 of participants, volunteers, audience members, contestants, or
62 workers;

63 (j) Any volunteer fire department, ambulance, rescue,
64 police, court, first aid, civil defense, or other such volunteer
65 group;

66 (k) Preschools, day care institutions for children or
67 adults, and senior citizen clubs;

68 (l) Any automobile or truck rental or leasing company
69 covering a group of persons who may become renters, lessees, or
70 passengers defined by their travel status on the rented or leased
71 vehicles. The common carrier; the operator, owner, or lessor of a
72 means of transportation; or the automobile or truck rental or
73 leasing company is the policyholder under a policy to which this
74 section applies; or

75 (m) Any other group for which the director has determined
76 that the members are engaged in a common enterprise or have an
77 economic, educational, or social affinity or relationship and that
78 issuance of the policy would not be contrary to the public

79 interest;

80 (6) "Fulfillment materials", documentation sent to the
81 purchaser of a travel protection plan confirming the purchase and
82 providing the travel protection plan's coverage and assistance
83 details;

84 (7) "Group travel insurance", travel insurance issued to any
85 eligible group;

86 (8) "Limited lines travel insurance producer", a:

87 (a) Licensed managing general agent as provided by sections
88 375.147 to 375.153 or third-party administrator; [or]

89 (b) Licensed insurance producer as provided by chapter 375
90 [+], including a limited lines producer, designated by the insurer
91 as the travel insurance supervising entity as set forth in
92 subdivision (7) of subsection [5] 3 of this section below; or

93 (c) Travel administrator;

94 [-(2)-] (9) "Offer and disseminate", provide general
95 information, including a description of the coverage and price, as
96 well as process the application, collect premiums, and perform
97 other nonlicensable activities permitted by the state;

98 [-(3)-] (10) "Primary certificate holder", a person who elects
99 and purchases travel insurance under a group policy;

100 (11) "Primary policyholder", a person who elects and
101 purchases individual travel insurance;

102 (12) "Travel administrator", a person who directly or
103 indirectly underwrites; collects charges, collateral, or premiums
104 from; or adjusts and settles claims on residents of this state in
105 connection with travel insurance; except that a person shall not be

106 considered a travel administrator if that person's only actions
107 that would otherwise cause the person to be considered a travel
108 administrator are among the following:

109 (a) A person working for a travel administrator to the extent
110 that the person's activities are subject to the supervision and
111 control of the travel administrator;

112 (b) An insurance producer selling insurance or engaged in
113 administrative and claims-related activities within the scope of
114 the producer's license;

115 (c) A travel retailer offering and disseminating travel
116 insurance and registered under the license of a limited lines
117 travel insurance producer in accordance with this section;

118 (d) A person adjusting or settling claims in the normal
119 course of that person's practice or employment as an attorney-at-
120 law and who does not collect charges or premiums in connection with
121 insurance coverage; or

122 (e) A business entity that is affiliated with a licensed
123 insurer while acting as a travel administrator for the direct and
124 assumed insurance business of an affiliated insurer;

125 (13) "Travel assistance services", noninsurance services for
126 which the consumer is not indemnified based on a fortuitous event
127 and in which providing the service does not result in transfer or
128 shifting of risk that would constitute the business of insurance.
129 The term "travel assistance services" includes, but is not limited
130 to: security advisories, destination information, vaccination and
131 immunization information services, travel reservation services,
132 entertainment, activity and event planning, translation

133 assistance, emergency messaging, international legal and medical
134 referrals, medical case monitoring, coordination of transportation
135 arrangements, emergency cash transfer assistance, medical
136 prescription replacement assistance, passport and travel document
137 replacement assistance, lost luggage assistance, concierge
138 services, and any other service that is furnished in connection
139 with planned travel. Travel assistance services are not insurance
140 and not related to insurance;

141 (14) "Travel insurance", insurance coverage for personal
142 risks incident to planned travel, including, but not limited to:

- 143 (a) Interruption or cancellation of trip or event;
144 (b) Loss of baggage or personal effects;
145 (c) Damages to accommodations or rental vehicles; ~~[or]~~
146 (d) Sickness, accident, disability, or death occurring
147 during travel;

148 (e) Emergency evacuation;

149 (f) Repatriation of remains; or

150 (g) Any other contractual obligations to indemnify or pay a
151 specified amount to the traveler upon determinable contingencies
152 related to travel as approved by the director.

153
154 Travel insurance does not include major medical plans, which
155 provide comprehensive medical protection for travelers with trips
156 lasting six months or longer, including, for example, those
157 persons working overseas as expatriates or military personnel
158 being deployed, or any other product that requires a specific
159 insurance producer license;

160 ~~[(4)]~~ (15) "Travel protection plans", plans that provide one
161 or more of the following:

162 (a) Travel insurance;

163 (b) Travel assistance services; or

164 (c) Cancellation fee waivers;

165 (16) "Travel retailer", a business entity that makes,
166 arranges, or offers travel services and may offer and disseminate
167 travel insurance as a service to its customers on behalf of and
168 under the direction of a limited lines travel insurance producer.

169 2. (1) The requirements of this section shall apply to
170 travel insurance that covers any resident of this state and is
171 sold, solicited, negotiated, or offered in this state and policies
172 and certificates that are delivered or issued for delivery in this
173 state. Except as expressly provided in this section, the
174 requirements of this section shall not apply to cancellation fee
175 waivers or travel assistance services.

176 (2) All other applicable provisions of this state's
177 insurance laws shall continue to apply to travel insurance, except
178 that the specific provisions of this section shall supersede any
179 general provisions of law that would otherwise be applicable to
180 travel insurance.

181 3. Notwithstanding any other provision of law:

182 (1) The director may issue a limited lines travel insurance
183 producer license to a person or business entity that has filed with
184 the director an application for a limited lines travel insurance
185 producer license in a form and manner prescribed by the director.
186 A limited lines travel insurance producer shall be licensed to

187 sell, solicit, or negotiate travel insurance through a licensed
188 insurer. No person shall act as a limited lines travel insurance
189 producer or travel retailer unless properly licensed or
190 registered, respectively;

191 (2) A travel retailer may offer and disseminate travel
192 insurance on behalf of and under the control of a limited lines
193 travel insurance producer only if the following conditions are
194 met:

195 (a) The limited lines travel insurance producer or travel
196 retailer provides to purchasers of travel insurance:

197 a. A description of the material terms or the actual material
198 terms of the insurance coverage;

199 b. A description of the process for filing a claim;

200 c. A description of the review or cancellation process for
201 the travel insurance policy; and

202 d. The identity and contact information of the insurer and
203 limited lines travel insurance producer;

204 (b) At the time of licensure, the limited lines travel
205 insurance producer shall establish and maintain a register on a
206 form prescribed by the director of each travel retailer that offers
207 travel insurance on the limited lines travel insurance producer's
208 behalf. The register shall be maintained and updated annually by
209 the limited lines travel insurance producer and shall include the
210 name, address, and contact information of the travel retailer and
211 an officer or person who directs or controls the travel retailer's
212 operations, and the travel retailer's federal tax identification
213 number. The limited lines travel insurance producer shall submit

214 such register within thirty days upon request by the department.
215 The limited lines travel insurance producer shall also certify
216 that the travel retailer [~~register~~] registered complies with 18
217 U.S.C. 1033. The grounds for suspension and revocation and the
218 penalties applicable to resident insurance producers under
219 sections 375.141 to 375.153 shall be applicable to the limited
220 lines travel insurance producers and travel retailers;

221 (c) The limited lines travel insurance producer has
222 designated one of its employees who is a licensed individual
223 producer as a person responsible for the business entity's
224 compliance with the travel insurance laws, rules, and regulations
225 of this state;

226 (d) The designated person under paragraph (c) of this
227 subdivision, president, secretary, treasurer, and any other
228 officer or person who directs or controls the limited lines travel
229 insurance producer's insurance operations complies with the
230 fingerprinting requirements applicable to insurance producers in
231 the resident state of the [~~business entity~~] limited lines travel
232 insurance producer;

233 (e) The limited lines travel insurance producer has paid all
234 applicable insurance producer licensing fees as set forth in
235 applicable state law;

236 (f) The limited lines travel insurance producer requires
237 each employee and authorized representative of the travel retailer
238 whose duties include offering and disseminating travel insurance
239 to receive a program of instruction or training, which may be
240 subject to review by the director. The training material shall, at

241 a minimum, contain instructions on the types of insurance offered,
242 ethical sales practices, and required disclosures to prospective
243 customers;

244 ~~[(2)]~~ (3) Any travel retailer offering or disseminating
245 travel insurance shall make available to prospective purchasers
246 brochures or other written materials that have been approved by the
247 travel insurer. Such materials shall include information that, at
248 a minimum, shall:

249 (a) Provide the identity and contact information of the
250 insurer and the limited lines travel insurance producer;

251 (b) Explain that the purchase of travel insurance is not
252 required to purchase any other product or service from the travel
253 retailer; and

254 (c) Explain that an unlicensed travel retailer is permitted
255 to provide general information about the insurance offered by the
256 travel retailer, including a description of the coverage and
257 price, but is not qualified or authorized to answer technical
258 questions about the terms and conditions of the insurance offered
259 by the travel retailer or to evaluate the adequacy of the
260 customer's existing insurance coverage;

261 ~~[(3)]~~ (4) A travel retailer's employee or authorized
262 representative, who is not licensed as an insurance producer, may
263 not:

264 (a) Evaluate or interpret the technical terms, benefits, and
265 conditions of the offered travel insurance coverage;

266 (b) Evaluate or provide advice concerning a prospective
267 purchaser's existing insurance coverage; or

268 (c) Hold themselves or itself out as a licensed insurer,
269 licensed producer, or insurance expert~~[-]~~;

270 ~~[3. Notwithstanding any other provision of law,~~ (5) A
271 travel retailer whose insurance-related activities, and those of
272 its employees and authorized representatives, are limited to
273 offering and disseminating travel insurance on behalf of and under
274 the direction of a limited lines travel insurance producer meeting
275 the conditions stated in this section is authorized to do so and
276 receive related compensation, upon registration by the limited
277 lines travel insurance producer as described in paragraph (b) of
278 subdivision ~~[(1)]~~ (2) of this subsection ~~[2 of this section.];~~

279 ~~[4.]~~ (6) Travel insurance may be provided under an
280 individual policy or under a group or ~~[master]~~ blanket policy~~[-]~~;

281 ~~[5.]~~ (7) As the insurer designee, the limited lines travel
282 insurance producer is responsible for the acts of the travel
283 retailer and shall use reasonable means to ensure compliance by the
284 travel retailer with this section; and

285 (8) Any person licensed in a major line of authority as an
286 insurance producer is authorized to sell, solicit, and negotiate
287 travel insurance. A property and casualty insurance producer is
288 not required to become appointed by an insurer in order to sell,
289 solicit, or negotiate travel insurance.

290 4. (1) A travel insurer shall pay premium tax, as provided
291 in section 148.370, on travel insurance premiums paid by any of the
292 following:

293 (a) An individual primary policyholder who is a resident of
294 this state;

295 (b) A primary certificate holder who is a resident of this
296 state who elects coverage under a group travel insurance policy; or

297 (c) A blanket travel insurance policyholder that is a
298 resident in this state or has its principal place of business or
299 the principal place of business of an affiliate or subsidiary that
300 has purchased blanket travel insurance in this state for eligible
301 blanket group members, subject to any apportionment rules that
302 apply to the insurer across multiple taxing jurisdictions or that
303 permit the insurer to allocate premium on an apportioned basis in a
304 reasonable and equitable manner in those jurisdictions.

305 (2) A travel insurer shall:

306 (a) Document the state of residence or principal place of
307 business of the policyholder or certificate holder, as required in
308 subdivision (1) of this subsection; and

309 (b) Report as premium only the amount allocable to travel
310 insurance and not any amounts received for travel assistance
311 services or cancellation fee waivers.

312 5. Travel protection plans may be offered for one price for
313 the combined features that the travel protection plan offers in
314 this state if:

315 (1) The travel protection plan clearly discloses to the
316 consumer, at or prior to the time of purchase, that it includes
317 travel insurance, travel assistance services, and cancellation fee
318 waivers as applicable, and provides information and an
319 opportunity, at or prior to the time of purchase, for the consumer
320 to obtain additional information regarding the features and
321 pricing of each;

322 (2) The fulfillment materials describe and delineate the
323 travel insurance, travel assistance services, and cancellation fee
324 waivers in the travel protection plan; and

325 (3) The fulfillment materials include the travel insurance
326 disclosures and the contact information for persons providing
327 travel assistance services and cancellation fee waivers, as
328 applicable.

329 6. (1) Except as otherwise provided in this section, all
330 persons offering travel insurance to residents of this state are
331 subject to sections 375.930 to 375.948. If there is a conflict
332 between this section and other provisions of chapters 361 to 385
333 regarding the sale and marketing of travel insurance and travel
334 protection plans, the provisions of this section shall control.

335 (2) Offering or selling a travel insurance policy that could
336 never result in payment of any claims for any insured under the
337 policy is an unfair trade practice under sections 375.930 to
338 375.948.

339 (3) (a) All documents provided to consumers prior to the
340 purchase of travel insurance, including but not limited to sales
341 materials, advertising materials, and marketing materials, shall
342 be consistent with the travel insurance policy itself, including
343 but not limited to forms, endorsements, policies, rate filings,
344 and certificates of insurance.

345 (b) For travel insurance policies or certificates that
346 contain preexisting condition exclusions, information and an
347 opportunity to learn more about the preexisting condition
348 exclusions shall be provided any time prior to the time of

349 purchase, and in the coverage's fulfillment materials.

350 (c) The fulfillment materials and the information described
351 in paragraph (a) of subdivision (2) of subsection 3 of this section
352 shall be provided to a policyholder or certificate holder as soon
353 as practicable following the purchase of a travel protection plan.
354 Unless the insured has either started a covered trip or filed a
355 claim under the travel insurance coverage, a policyholder or
356 certificate holder may cancel a policy or certificate for a full
357 refund of the travel protection plan price from the date of
358 purchase of a travel protection plan until at least:

359 a. Fifteen days following the date of delivery of the travel
360 protection plan's fulfillment materials by postal mail; or

361 b. Ten days following the date of delivery of the travel
362 protection plan's fulfillment materials by means other than postal
363 mail.

364
365 For purposes of this paragraph, delivery means handing fulfillment
366 materials to the policyholder or certificate holder or sending
367 fulfillment materials by postal mail or electronic means to the
368 policyholder or certificate holder.

369 (d) The company shall disclose in the policy documentation
370 and fulfillment materials whether the travel insurance is primary
371 or secondary to other applicable coverage.

372 (e) Marketing travel insurance directly to a consumer
373 through an insurer's website or by others through an aggregator
374 site shall not be an unfair trade practice or other violation of
375 law if an accurate summary or short description of coverage is

376 provided on the web page and the consumer has access to the full
377 provisions of the policy through electronic means.

378 (4) No person offering, soliciting, or negotiating travel
379 insurance or travel protection plans on an individual or group
380 basis shall do so by using negative option or opt-out that would
381 require a consumer to take an affirmative action to deselect
382 coverage, such as unchecking a box on an electronic form, when the
383 consumer purchases a trip.

384 (5) It shall be an unfair trade practice to market blanket
385 travel insurance coverage as free.

386 (6) Where a consumer's destination jurisdiction requires
387 insurance coverage, it shall not be an unfair trade practice to
388 require that a consumer choose between the following options as a
389 condition of purchasing a trip or travel package:

390 (a) Purchasing the coverage required by the destination
391 jurisdiction through the travel retailer or limited lines travel
392 insurance producer supplying the trip or travel package; or

393 (b) Agreeing to obtain and provide proof of coverage that
394 meets the destination jurisdiction's requirements prior to
395 departure.

396 7. (1) Notwithstanding any other provisions of chapters 361
397 to 385, no person shall act or represent himself or herself as a
398 travel administrator for travel insurance in this state unless the
399 person:

400 (a) Is a licensed property and casualty insurance producer in
401 this state for activities permitted under that producer license;

402 (b) Holds a valid managing general agent license in this

403 state; or

404 (c) Holds a valid third-party administrator license in this
405 state.

406 (2) An insurer is responsible for the acts of a travel
407 administrator administering travel insurance underwritten by the
408 insurer, and is responsible for ensuring that the travel
409 administrator maintains all books and records relevant to the
410 insurer to be made available by the travel administrator to the
411 director upon request.

412 8. (1) Notwithstanding any other provision of chapters 361
413 to 385, travel insurance shall be classified and filed for purposes
414 of rates and forms under an inland marine line of insurance, except
415 that travel insurance that provides coverage for sickness,
416 accident, disability, or death occurring during travel, either
417 exclusively or in conjunction with related coverages of emergency
418 evacuation or repatriation of remains or incidental limited
419 property and casualty benefits such as baggage or trip
420 cancellation, may be filed under either an accident and health line
421 of insurance or an inland marine line of insurance.

422 (2) Eligibility and underwriting standards for travel
423 insurance may be developed and provided based on travel protection
424 plans designed for individual or identified marketing or
425 distribution channels, provided those standards also meet the
426 state's underwriting standards for an inland marine line of
427 insurance.

428 ~~[6.]~~ 9. The limited lines travel insurance producer and any
429 travel retailer offering and disseminating travel insurance under

430 the limited lines travel insurance producer license shall be
431 subject to the provisions of chapters 374 and 375, except as
432 provided for in this section.

433 ~~[7.]~~ 10. The director may promulgate rules to effectuate this
434 section. Any rule or portion of a rule, as that term is defined in
435 section 536.010, that is created under the authority delegated in
436 this section shall become effective only if it complies with and is
437 subject to all of the provisions of chapter 536 and, if applicable,
438 section 536.028. This section and chapter 536 are nonseverable and
439 if any of the powers vested with the general assembly pursuant to
440 chapter 536 to review, to delay the effective date, or to
441 disapprove and annul a rule are subsequently held
442 unconstitutional, then the grant of rulemaking authority and any
443 rule proposed or adopted after August 28, 2013, shall be invalid
444 and void.

376.380. 1. The legal minimum standard for valuation of
2 policies and contracts and the reserves to be maintained thereon
3 shall be as follows:

4 (1) For those policies and contracts issued prior to the
5 operative date provided in subsection 20 of section 376.670:

6 (a) Except as otherwise provided in subdivision (3) of this
7 subsection, the legal minimum standard for valuation of policies
8 of life insurance or annuity contracts issued prior to April 13,
9 1934, shall be the Actuaries' or Combined Experience Table of
10 Mortality, with interest at the rate of five percent per annum for
11 group annuity contracts and four percent per annum for all other
12 policies and contracts; and for policies of life insurance and

13 annuity contracts issued on and after April 13, 1934, such minimum
14 standard shall be the American Experience Table of Mortality with
15 interest at the rate of five percent per annum for group annuity
16 contracts and three and one-half percent per annum for all other
17 policies and contracts;

18 (b) The director may vary the legal minimum standards of
19 interest and mortality for annuity contracts and in particular
20 cases of invalid or substandard lives and other extra hazards, and
21 shall have the right and authority to designate the legal minimum
22 standard for valuation of total and permanent disability benefits
23 and additional accidental death benefits;

24 (c) Policies issued by companies doing business in this state
25 may provide for not more than one year preliminary term insurance
26 by incorporating in the provisions thereof, specifying the premium
27 consideration to be received, a clause plainly showing that the
28 first year's insurance under such policies is term insurance,
29 purchased by the whole or a part of the premium to be received
30 during the first policy year and shall be valued accordingly;
31 provided, that if the premium charged for term insurance under a
32 limited payment life preliminary term policy providing for the
33 payment of all premiums thereon in less than twenty years from the
34 date of the policy, or under an endowment preliminary term policy,
35 exceeds that charged for life insurance twenty payment life
36 preliminary term policies of the same company, the reserve thereon
37 at the end of any year, including the first, shall not be less than
38 the reserve on a twenty payment life preliminary term policy issued
39 in the same year and at the same age, together with an amount which

40 shall be equivalent to the accumulation of a net level premium
41 sufficient to provide for a pure endowment at the end of the
42 premium payment period equal to the difference between the value at
43 the end of such period of such twenty payment life preliminary term
44 policy and the full reserve at such time of such a limited payment
45 life or endowment policy. The premium payment period is the period
46 during which premiums are concurrently payable under such twenty
47 payment life preliminary term policy and such limited payment life
48 or endowment policy;

49 (d) Reserves for all such policies and contracts may be
50 calculated, at the option of the company, according to any
51 standards which produce greater aggregate reserves for all such
52 policies and contracts than the minimum reserves required by this
53 subdivision. In the case of policy obligations of an insolvent
54 life insurance company assumed or reinsured in bulk by an insurance
55 company upon a basis requiring a separate accounting of the
56 business and assets of such insolvent company and an application of
57 any part of the earnings therefrom upon obligations which are not
58 implicit in the original terms of the policies or contracts assumed
59 or reinsured, the director, in order to protect all policyholders
60 of the reinsuring company, including the holders of all policies so
61 assumed or reinsured, and to safeguard the future solvency of such
62 reinsuring company, shall have the right and authority to
63 designate standards of valuation for such reinsured policies and
64 contracts which will produce greater aggregate reserves for all
65 such policies and contracts than the minimum reserves required by
66 this subdivision or the terms and provisions of the policies and

67 contracts so assumed or reinsured, and, in such event, such
68 reinsuring company shall not, thereafter, adopt any lower
69 standards of valuation without the approval of the director.

70 (2) For those policies and contracts issued on or after the
71 operative date provided in subsection 20 of section 376.670:

72 (a) Except as otherwise provided in subdivision (3) of this
73 subsection and subsection 2 of this section, the minimum standard
74 for the valuation of all such policies and contracts shall be the
75 commissioners reserve valuation methods defined in paragraphs (b),
76 (c), (d), (e), and (h) of this subdivision, three and one-half
77 percent interest on all such policies and contracts except those
78 contracts specified in subparagraph c. of this paragraph which
79 consist of single premium annuity contracts and in subparagraph d.
80 of this paragraph which consists of group annuity contracts where
81 the interest rate shall be five percent, and except policies and
82 contracts, other than annuity and pure endowment contracts, issued
83 on or after September 28, 1975, where the interest rate shall be
84 four percent interest for such policies issued prior to September
85 28, 1979, and four and one-half percent interest for such policies
86 issued on or after September 28, 1979, and the following tables:

87 a. For all ordinary policies of life insurance issued prior
88 to the operative date provided in subsection 12 of section 376.670
89 on the standard basis, excluding any disability and accidental
90 death benefits in such policies, the Commissioners 1941 Standard
91 Ordinary Mortality Table, and for such policies issued on or after
92 the operative date provided in subsection 12 of section 376.670,
93 and prior to the operative date of subsection 14 of section

94 376.670, the Commissioners 1958 Standard Ordinary Mortality Table;
95 provided that for any category of such policies issued on or after
96 September 28, 1979, on female risks all modified net premiums and
97 present values referred to in this section may be calculated
98 according to an age not more than six years younger than the actual
99 age of the insured; and for such policies issued on or after the
100 operative date of subsection 14 of section 376.670:

101 (i) The Commissioners 1980 Standard Ordinary Mortality
102 Table; or

103 (ii) At the election of the company for any one or more
104 specified plans of life insurance, the Commissioners 1980 Standard
105 Ordinary Mortality Table with Ten-Year Select Mortality Factors;
106 or

107 (iii) Any ordinary mortality table, adopted after 1980 by the
108 NAIC, that is approved by regulation promulgated by the director
109 for use in determining the minimum standard of valuation for such
110 policies;

111 b. For all industrial life insurance policies issued on the
112 standard basis, excluding any disability and accidental death
113 benefits in such policies, the 1941 Standard Industrial Mortality
114 Table for such policies issued prior to the operative date of
115 subsection 13 of section 376.670 and for such policies issued on or
116 after such operative date, the Commissioners 1961 Standard
117 Industrial Mortality Table or any industrial mortality table,
118 adopted after 1980 by the NAIC, that is approved by regulation
119 promulgated by the director for use in determining the minimum
120 standard of valuation for such policies;

121 c. For individual annuity and pure endowment contracts,
122 excluding any disability and accidental death benefits in such
123 policies, the 1937 Standard Annuity Mortality Table or, at the
124 option of the company, the Annuity Mortality Table for 1949,
125 Ultimate, or any modification of either of these tables approved by
126 the director;

127 d. For group annuity and pure endowment contracts, excluding
128 any disability and accidental death benefits in such policies, the
129 Group Annuity Mortality Table for 1951, any modification of such
130 table approved by the director, or, at the option of the company,
131 any of the tables or modifications of tables specified for
132 individual annuity and pure endowment contracts;

133 e. For total and permanent disability benefits in or
134 supplementary to ordinary policies or contracts, for policies or
135 contracts issued on or after January 1, 1966, the tables of period
136 two disablement rates and the 1930 to 1950 termination rates of the
137 1952 disability study of the Society of Actuaries, with due regard
138 to the type of benefit or any tables of disablement rates and
139 termination rates, adopted after 1980 by the NAIC, that are
140 approved by regulation promulgated by the director for use in
141 determining the minimum standard of valuation for such policies;
142 for policies or contracts issued on or after January 1, 1961, and
143 prior to January 1, 1966, either such tables or at the option of
144 the company, the Class (3) Disability Table (1926); and for
145 policies issued prior to January 1, 1961, the Class (3) Disability
146 Table (1926). Any such table shall, for active lives, be combined
147 with a mortality table permitted for calculating the reserves for

148 life insurance policies;

149 f. For accidental death benefits in or supplementary to
150 policies issued on or after January 1, 1966, the 1959 Accidental
151 Death Benefits Table or any accidental death benefits table,
152 adopted after 1980 by the NAIC, that is approved by regulation
153 promulgated by the director for use in determining the minimum
154 standard of valuation for such policies; for policies issued on or
155 after January 1, 1961, and prior to January 1, 1966, either such
156 table or, at the option of the company, the Inter-Company Double
157 Indemnity Mortality Table; and for policies issued prior to
158 January 1, 1961, the Inter-Company Double Indemnity Mortality
159 Table. Either table shall be combined with a mortality table
160 permitted for calculating the reserves for life insurance
161 policies;

162 g. For group life insurance, life insurance issued on the
163 substandard basis and other special benefits, such tables as may be
164 approved by the director;

165 (b) Except as otherwise provided in paragraphs (d), (e), and
166 (h) of this subdivision, reserves according to the commissioners
167 reserve valuation method, for the life insurance and endowment
168 benefits of policies providing for a uniform amount of insurance
169 and requiring the payment of uniform premiums shall be the excess,
170 if any, of the present value, at the date of valuation, of such
171 future guaranteed benefits provided for by such policies, over the
172 then present value of any future modified net premiums therefor.
173 The modified net premiums for any such policy shall be such uniform
174 percentage of the respective contract premiums for such benefits

175 that the present value, at the date of issue of the policy, of all
176 such modified net premiums shall be equal to the sum of the then
177 present value of such benefits provided for by the policy and the
178 excess of a. over b., as follows:

179 a. A net level annual premium equal to the present value, at
180 the date of issue, of such benefits provided for after the first
181 policy year, divided by the present value, at the date of issue, of
182 an annuity of one per annum payable on the first and each
183 subsequent anniversary of such policy on which a premium falls due;
184 provided, however, that such net level annual premium shall not
185 exceed the net level annual premium on the nineteen year premium
186 whole life plan for insurance of the same amount at an age one year
187 higher than the age at issue of such policy;

188 b. A net one year term premium for such benefit provided for
189 in the first policy year; provided, that for any life insurance
190 policy issued on or after January 1, 1986, for which the contract
191 premium in the first policy year exceeds that of the second year
192 and for which no comparable additional benefit is provided in the
193 first year for such excess and which provides an endowment benefit
194 or a cash surrender value or a combination thereof in an amount
195 greater than such excess premium, the reserve according to the
196 commissioners reserve valuation method as of any policy
197 anniversary occurring on or before the assumed ending date defined
198 herein as the first policy anniversary on which the sum of any
199 endowment benefit and any cash surrender value then available is
200 greater than such excess premium shall, except as otherwise
201 provided in paragraph (h) of this subdivision, be the greater of

202 the reserve as of such policy anniversary calculated as described
203 in paragraph (b) of this subdivision and the reserve as of such
204 policy anniversary calculated as described in paragraph (b) of
205 this subdivision, but with:

206 (i) The value defined in subparagraph a. of paragraph (b) of
207 this subdivision being reduced by fifteen percent of the amount of
208 such excess first year premium;

209 (ii) All present values of benefits and premiums being
210 determined without reference to premiums or benefits provided for
211 by the policy after the assumed ending date;

212 (iii) The policy being assumed to mature on such date as an
213 endowment; and

214 (iv) The cash surrender value provided on such date being
215 considered as an endowment benefit.

216

217 In making the above comparison the mortality and interest bases
218 stated in paragraph (a) of this subdivision and subsection 2 of
219 this section shall be used;

220 (c) Reserves according to the commissioners reserve
221 valuation method for:

222 a. Life insurance policies providing for a varying amount of
223 insurance or requiring the payment of varying premiums;

224 b. Group annuity and pure endowment contracts purchased
225 under a retirement plan or plan of deferred compensation,
226 established or maintained by an employer (including a partnership
227 or sole proprietorship) or by an employee organization, or by both,
228 other than a plan providing individual retirement accounts or

229 individual retirement annuities under Section 408 of the Internal
230 Revenue Code, as now or hereafter amended;

231 c. Disability and accidental death benefits in all policies
232 and contracts; and

233 d. All other benefits, except life insurance and endowment
234 benefits in life insurance policies and benefits provided by all
235 other annuity and pure endowment contracts, shall be calculated by
236 a method consistent with the principles of paragraph (b) of this
237 subdivision;

238 (d) Paragraph (e) of this subdivision shall apply to all
239 annuity and pure endowment contracts other than group annuity and
240 pure endowment contracts purchased under a retirement plan or plan
241 of deferred compensation, established or maintained by an employer
242 (including a partnership or sole proprietorship), or by an
243 employee organization, or by both, other than a plan providing
244 individual retirement accounts or individual retirement annuities
245 under Section 408 of the Internal Revenue Code, as now or hereafter
246 amended;

247 (e) Reserves according to the commissioners annuity reserve
248 method for benefits under annuity or pure endowment contracts,
249 excluding any disability and accidental death benefits in such
250 contracts, shall be the greatest of the respective excesses of the
251 present values, at the date of valuation, of the future guaranteed
252 benefits, including guaranteed nonforfeiture benefits, provided
253 for by such contracts at the end of each respective contract year,
254 over the present value, at the date of valuation, of any future
255 valuation considerations derived from future gross considerations,

256 required by the terms of such contract, that become payable prior
257 to the end of such respective contract year. The future guaranteed
258 benefits shall be determined by using the mortality table, if any,
259 and the interest rate, or rates, specified in such contracts for
260 determining guaranteed benefits. The valuation considerations are
261 the portions of the respective gross considerations applied under
262 the terms of such contracts to determine nonforfeiture values;

263 (f) In no event shall a company's aggregate reserves for all
264 life insurance policies, excluding disability and accidental death
265 benefits, be less than the aggregate reserves calculated in
266 accordance with the method set forth in paragraphs (b), (c), (d),
267 (e), (h) and (i) of this subdivision and the mortality table or
268 tables and rate or rates of interest used in calculating
269 nonforfeiture benefits for such policies;

270 (g) In no event shall the aggregate reserves for all
271 policies, contracts and benefits be less than the aggregate
272 reserves determined by the qualified actuary to be necessary to
273 render the opinion required by subsections 4 and 5 of this section;

274 (h) If in any contract year the gross premium charged by any
275 life insurance company on any policy or contract is less than the
276 valuation net premium for the policy or contract calculated by the
277 method used in calculating the reserve thereon but using the
278 minimum valuation standards of mortality and rate of interest, the
279 minimum reserve required for such policy or contract shall be the
280 greater of either the reserve calculated according to the
281 mortality table, rate of interest, and method actually used for
282 such policy or contract, or the reserve calculated by the method

283 actually used for such policy or contract but using the minimum
284 valuation standards of mortality and rate of interest and
285 replacing the valuation net premium by the actual gross premium in
286 each contract year for which the valuation net premium exceeds the
287 actual gross premium. The minimum valuation standards of
288 mortality and rate of interest referred to in this section are
289 those standards stated in paragraph (a) of this subdivision and
290 subsection 2 of this section; provided, that for any life insurance
291 policy issued on or after January 1, 1986, for which the gross
292 premium in the first policy year exceeds that of the second year
293 and for which no comparable additional benefit is provided in the
294 first year for such excess and which provides an endowment benefit
295 or a cash surrender value or a combination thereof in an amount
296 greater than such excess premium, the foregoing provisions of this
297 paragraph shall be applied as if the method actually used in
298 calculating the reserve for such policy were the method described
299 in paragraph (b) of this subdivision. The minimum reserve at each
300 policy anniversary of such a policy shall be the greater of the
301 minimum reserve calculated in accordance with paragraphs (b) and
302 (c) of this subdivision and the minimum reserve calculated in
303 accordance with this paragraph;

304 (i) In the case of any plan of life insurance which provides
305 for future premium determination, the amounts of which are to be
306 determined by the insurance company based on then estimates of
307 future experience, or in the case of any plan of life insurance or
308 annuity which is of such a nature that the minimum reserves cannot
309 be determined by the methods described in paragraphs (b) to (e) of

310 this subdivision, and paragraph (h) of this subdivision, the
311 reserves which are held under any such plan must:

312 a. Be appropriate in relation to the benefits and the pattern
313 of premiums for that plan; and

314 b. Be computed by a method which is consistent with the
315 principles of this section as determined by regulations
316 promulgated by the director.

317 (3) Except as provided in subsection 2 of this section, the
318 minimum standard for the valuation of all individual annuity and
319 pure endowment contracts issued on or after the operative date of
320 this subdivision, as defined herein, and for all annuities and pure
321 endowments purchased on or after such operative date under group
322 annuity and pure endowment contracts, shall be the commissioners
323 reserve valuation methods defined in paragraphs (b), (c), (d), and
324 (e) of subdivision (2) of this subsection, and the following tables
325 and interest rates:

326 (a) For individual annuity and pure endowment contracts
327 issued prior to September 28, 1979, excluding any disability and
328 accidental death benefits in such contracts, the 1971 Individual
329 Annuity Mortality Table, or any modification of this table
330 approved by the director, and six percent interest for single
331 premium immediate annuity contracts, and four percent interest for
332 all other individual annuity and pure endowment contracts;

333 (b) For individual single premium immediate annuity
334 contracts issued on or after September 28, 1979, excluding any
335 disability and accidental death benefits in such contracts, the
336 1971 Individual Annuity Mortality Table, or any individual annuity

337 mortality table adopted after 1980 by the NAIC, that is approved by
338 regulation promulgated by the director for use in determining the
339 minimum standard of valuation for such contracts, or any
340 modification of these tables approved by the director, and seven
341 and one-half percent interest;

342 (c) For individual annuity and pure endowment contracts
343 issued on or after September 28, 1979, other than single premium
344 immediate annuity contracts, excluding any disability and
345 accidental death benefits in such contracts, the 1971 Individual
346 Annuity Mortality Table, or any individual annuity mortality table
347 adopted after 1980 by the NAIC, that is approved by regulation
348 promulgated by the director for use in determining the minimum
349 standard of valuation for such contracts, or any modification of
350 these tables approved by the director, and five and one-half
351 percent interest for single premium deferred annuity and pure
352 endowment contracts and four and one-half percent interest for all
353 other such individual annuity and pure endowment contracts;

354 (d) For all annuities and pure endowments purchased prior to
355 September 28, 1979, under group annuity and pure endowment
356 contracts, excluding any disability and accidental death benefits
357 purchased under such contracts, the 1971 Group Annuity Mortality
358 Table, or any modification of this table approved by the director,
359 and six percent interest;

360 (e) For all annuities and pure endowments purchased on or
361 after September 28, 1979, under group annuity and pure endowment
362 contracts, excluding any disability and accidental death benefits
363 purchased under such contracts, the 1971 Group Annuity Mortality

364 Table, or any group annuity mortality table adopted after 1980 by
365 the NAIC, that is approved by regulation promulgated by the
366 director for use in determining the minimum standard of valuation
367 for such annuities and pure endowments, or any modification of
368 these tables approved by the director, and seven and one-half
369 percent interest;

370 (f) On and after September 28, 1975, any company may file
371 with the director a written notice of its election to comply with
372 the provisions of this subdivision after a specified date before
373 January 1, 1980, which shall be the operative date of this
374 subdivision for such company, provided a company may elect a
375 different operative date for individual annuity and pure endowment
376 contracts from that elected for group annuity and pure endowment
377 contracts. If a company makes no such election, the operative date
378 of this subdivision for such company shall be January 1, 1980.

379 2. (1) The calendar year statutory valuation interest rates
380 as defined in this subsection shall be the interest rates used in
381 determining the minimum standard for the valuation of:

382 (a) All life insurance policies issued in a particular
383 calendar year, on or after the operative date of subsection 14 of
384 section 376.670;

385 (b) All individual annuity and pure endowment contracts
386 issued in a particular calendar year on or after January 1, 1983;

387 (c) All annuities and pure endowment contracts purchased in a
388 particular calendar year on or after January 1, 1983, under group
389 annuity and pure endowment contracts; and

390 (d) The net increase, if any, in a particular calendar year

391 after January 1, 1983, in amounts held under guaranteed interest
392 contracts.

393 (2) The calendar year statutory valuation interest rates, I,
394 shall be determined as follows and the results rounded to the
395 nearer one-quarter of one percent:

396 (a) For life insurance:

397 $I = .03 + W (R1 - .03) + W/2 (R2 - .09);$

398 (b) For single premium immediate annuities and for annuity
399 benefits involving life contingencies arising from other annuities
400 with cash settlement options and from guaranteed interest
401 contracts with cash settlement options:

402 $I = .03 + W (R - .03),$ where R1 is the lesser of R and .09; R2 is
403 the greater of R and .09; R is the reference interest rate
404 defined in this subsection; and W is the weighting factor
405 defined in this subsection;

406 (c) For other annuities with cash settlement options and
407 guaranteed interest contracts with cash settlement options, valued
408 on an issue year basis, except as stated in paragraph (b) of this
409 subdivision, the formula for life insurance stated in paragraph
410 (a) of this subdivision shall apply to annuities and guaranteed
411 interest contracts with guarantee durations in excess of ten years
412 and the formula for single premium immediate annuities stated in
413 paragraph (b) of this subdivision shall apply to annuities and
414 guaranteed interest contracts with guarantee durations of ten
415 years or less;

416 (d) For other annuities with no cash settlement options and
417 for guaranteed interest contracts with no cash settlement options,

418 the formula for single premium immediate annuities stated in
419 paragraph (b) of this subdivision shall apply;

420 (e) For other annuities with cash settlement options and
421 guaranteed interest contracts with cash settlement options, valued
422 on a change in fund basis, the formula for single premium immediate
423 annuities stated in paragraph (b) of this subdivision shall apply.
424 If the calendar year statutory valuation interest rate for any life
425 insurance policies issued in any calendar year determined without
426 reference to this sentence differs from the corresponding actual
427 rate for similar policies issued in the immediately preceding
428 calendar year by less than one-half of one percent, the calendar
429 year statutory valuation interest rate for such life insurance
430 policies shall be equal to the corresponding actual rate for the
431 immediately preceding calendar year. For purposes of applying the
432 immediately preceding sentence, the calendar year statutory
433 valuation interest rate for life insurance policies issued in a
434 calendar year shall be determined for 1980 (using the reference
435 interest rate defined for 1979) and shall be determined for each
436 subsequent calendar year regardless of when subsection 14 of
437 section 376.670 becomes operative.

438 (3) The weighting factors referred to in the formulas stated
439 in subdivision (2) of this subsection are given in the following
440 tables:

441 (a) Weighting factors for life insurance:

442	Guarantee	Weighting
443	Duration	Factors
444	(Years)	

445	10 or less	.50
446	More than 10, but not more than 20	.45
447	More than 20	.35

448

449 For life insurance, the guarantee duration is the maximum number of
 450 years the life insurance can remain in force on a basis guaranteed
 451 in the policy or under options to convert to plans of life
 452 insurance with premium rates or nonforfeiture values or both which
 453 are guaranteed in the original policy;

454 (b) Weighting factor for single premium immediate annuities
 455 and for annuity benefits involving life contingencies arising from
 456 other annuities with cash settlement options and guaranteed
 457 interest contracts with cash settlement options: .80;

458 (c) Weighting factors for other annuities and for guaranteed
 459 interest contracts, except as stated in paragraph (b) of this
 460 subdivision, shall be as specified in subparagraphs a., b., and c.
 461 of this paragraph, according to the rules and definitions in
 462 subparagraphs d., e., and f. of this paragraph:

463 a. For annuities and guaranteed interest contracts valued on
 464 an issue year basis:

465 Guarantee 466 Duration 467 (Years)	465 Weighting Factor		
	466 for Plan Type		
	467 A	467 B	467 C
468 5 or less:	.80	.60	.50
469 More than 5, but not more than 10:	.75	.60	.50
470 More than 10, but not more than 20:	.65	.50	.45

471
472
473
474
475
476
477
478
479
480
481
482
483
484
485
486
487
488
489
490
491
492
493
494
495

More than 20:	.45	.35	.35
---------------	-----	-----	-----

b. For annuities and guaranteed interest contracts valued on a change in fund basis, the factors shown in subparagraph a. of this paragraph increased by:

Plan Type

A	B	C
.15	.25	.05

c. For annuities and guaranteed interest contracts valued on an issue year basis (other than those with no cash settlement options) which do not guarantee interest on considerations received more than one year after issue or purchase and for annuities and guaranteed interest contracts valued on a change in fund basis which do not guarantee interest rates on considerations received more than twelve months beyond the valuation date, the factors shown in subparagraph a. of this paragraph or derived in subparagraph b. of this paragraph increased by:

Plan Type

A	B	C
.05	.05	.05

d. For other annuities with cash settlement options and guaranteed interest contracts with cash settlement options, the guarantee duration is the number of years for which the contract guarantees interest rates in excess of the calendar year statutory valuation interest rate for life insurance policies with guarantee duration in excess of twenty years. For other annuities with no

496 cash settlement options and for guaranteed interest contracts with
497 no cash settlement options, the guarantee duration is the number of
498 years from the date of issue or date of purchase to the date
499 annuity benefits are scheduled to commence;

500 e. Plan type as used in subparagraphs a., b., and c. of this
501 paragraph is defined as follows:

502 Plan Type A: At any time policyholder may withdraw funds only
503 with an adjustment to reflect changes in interest rates or asset
504 values since receipt of the funds by the insurance company, or
505 without such adjustment but in installments over five years or
506 more, or as an immediate life annuity, or no withdrawal permitted;

507 Plan Type B: Before expiration of the interest rate
508 guarantee, policyholder may withdraw funds only with an adjustment
509 to reflect changes in interest rates or asset values since receipt
510 of the funds by the insurance company, or without such adjustment
511 but in installments over five years or more, or no withdrawal
512 permitted. At the end of interest rate guarantee, funds may be
513 withdrawn without such adjustment in a single sum or installments
514 over fewer than five years;

515 Plan Type C: Policyholder may withdraw funds before
516 expiration of interest rate guarantee in a single sum or
517 installments over fewer than five years either without adjustment
518 to reflect changes in interest rates or asset values since receipt
519 of the funds by the insurance company, or subject only to a fixed
520 surrender charge stipulated in the contract as a percentage of the
521 fund;

522 f. A company may elect to value guaranteed interest contracts

523 with cash settlement options and annuities with cash settlement
524 options on either an issue year basis or on a change in fund basis.
525 Guaranteed interest contracts with no cash settlement options and
526 other annuities with no cash settlement options must be valued on
527 an issue year basis. As used in this subsection an issue year
528 basis of valuation refers to a valuation basis under which the
529 interest rate used to determine the minimum valuation standard for
530 the entire duration of the annuity or guaranteed interest contract
531 is the calendar year valuation interest rate for the year of issue
532 or year of purchase of the annuity or guaranteed interest contract,
533 and the change in fund basis of valuation refers to a valuation
534 basis under which the interest rate used to determine the minimum
535 valuation standard applicable to each change in the fund held under
536 the annuity or guaranteed interest contract is the calendar year
537 valuation interest rate for the year of the change in the fund.

538 (4) The "reference interest rate" referred to in subdivision
539 (2) of this subsection shall be defined as follows:

540 (a) For all life insurance, the lesser of the average over a
541 period of thirty-six months and the average over a period of twelve
542 months, ending on June thirtieth of the calendar year next
543 preceding the year of issue, of the Monthly Average of the
544 Composite Yield on Seasoned Corporate Bonds, as published by
545 Moody's Investors Service, Inc.;

546 (b) For single premium immediate annuities and for annuity
547 benefits involving life contingencies arising from other annuities
548 with cash settlement options and guaranteed interest contracts
549 with cash settlement options, the average over a period of twelve

550 months, ending on June thirtieth of the calendar year of issue or
551 purchase, of the Monthly Average of the Composite Yield on Seasoned
552 Corporate Bonds, as published by Moody's Investors Service, Inc.;

553 (c) For other annuities with cash settlement options and
554 guaranteed interest contracts with cash settlement options, valued
555 on a year of issue basis, except as stated in paragraph (b) of this
556 subdivision, with guarantee duration in excess of ten years, the
557 lesser of the average over a period of thirty-six months and the
558 average over a period of twelve months, ending on June thirtieth of
559 the calendar year of issue or purchase, of the Monthly Average of
560 the Composite Yield on Seasoned Corporate Bonds, as published by
561 Moody's Investors Service, Inc.;

562 (d) For other annuities with cash settlement options and
563 guaranteed interest contracts with cash settlement options, valued
564 on a year of issue basis, except as stated in paragraph (b) of this
565 subdivision, with guarantee duration of ten years or less, the
566 average over a period of twelve months, ending on June thirtieth of
567 the calendar year of issue or purchase, of the Monthly Average of
568 the Composite Yield on Seasoned Corporate Bonds, as published by
569 Moody's Investors Service, Inc.;

570 (e) For other annuities with no cash settlement options and
571 for guaranteed interest contracts with no cash settlement options,
572 the average over a period of twelve months, ending on June
573 thirtieth of the calendar year of issue or purchase, of the Monthly
574 Average of the Composite Yield on Seasoned Corporate Bonds, as
575 published by Moody's Investors Service, Inc.;

576 (f) For other annuities with cash settlement options and

577 guaranteed interest contracts with cash settlement options, valued
578 on a change in fund basis, except as stated in paragraph (b) of
579 this subdivision, the average over a period of twelve months,
580 ending on June thirtieth of the calendar year of the change in the
581 fund, of the Monthly Average of the Composite Yield on Seasoned
582 Corporate Bonds, as published by Moody's Investors Service, Inc.

583 (5) In the event that the Monthly Average of the Composite
584 Yield on Seasoned Corporate Bonds is no longer published by Moody's
585 Investors Service, Inc., or in the event that the NAIC determines
586 that the Monthly Average of the Composite Yield on Seasoned
587 Corporate Bonds as published by Moody's Investors Service, Inc.,
588 is no longer appropriate for the determination of the reference
589 interest rate, then an alternative method for determination of the
590 reference interest rate, which is adopted by the NAIC and approved
591 by regulation promulgated by the director, may be substituted.

592 3. For accident and health insurance contracts issued on or
593 after the operative date of the valuation manual, the standard
594 prescribed in the valuation manual is the minimum standard of
595 valuation required under subsection 2 of section 376.370. For
596 disability, accident and sickness, and accident and health
597 insurance contracts issued on or after the operative date provided
598 in subsection 20 of section 376.670 and prior to the operative date
599 of the valuation manual, the minimum standard of valuation is the
600 standard adopted by the director by regulation.

601 4. (1) This subsection shall apply to actuarial opinions of
602 reserves prior to the date of the valuation manual.

603 (2) Every life insurance company doing business in this state

604 shall annually submit the opinion of a qualified actuary as to
605 whether the reserves and related actuarial items held in support of
606 the policies and contracts specified by the director by regulation
607 are computed appropriately, are based on assumptions which satisfy
608 contractual provisions, are consistent with prior reported amounts
609 and comply with applicable laws of this state. The director by
610 regulation shall define the specifics of this opinion and add any
611 other items deemed to be necessary to its scope.

612 (3) (a) Every life insurance company, except as exempted by
613 or pursuant to regulation, shall also annually include in the
614 opinion required by subdivision (2) of this subsection, an opinion
615 of the same qualified actuary as to whether the reserves and
616 related actuarial items held in support of the policies and
617 contracts specified by the director by regulation, when considered
618 in light of the assets held by the company with respect to the
619 reserves and related actuarial items, including but not limited to
620 the investment earnings on the assets and the considerations
621 anticipated to be received and retained under the policies and
622 contracts, make adequate provision for the company's obligations
623 under the policies and contracts, including but not limited to the
624 benefits under and expenses associated with the policies and
625 contracts.

626 (b) The director may provide by regulation for a transition
627 period for establishing any higher reserves which the qualified
628 actuary may deem necessary in order to render the opinion required
629 by this subsection.

630 (4) Each opinion required by subdivision (3) of this

631 subsection shall be governed by the following provisions:

632 (a) A memorandum, in form and substance acceptable to the
633 director as specified by regulation, shall be prepared to support
634 each actuarial opinion; and

635 (b) If the insurance company fails to provide a supporting
636 memorandum at the request of the director within a period specified
637 by regulation or the director determines that the supporting
638 memorandum provided by the insurance company fails to meet the
639 standards prescribed by the regulations or is otherwise
640 unacceptable to the director, the director may engage a qualified
641 actuary at the expense of the company to review the opinion and the
642 basis for the opinion and prepare such supporting memorandum as is
643 required by the director.

644 (5) Every opinion required by this subsection shall be
645 governed by the following provisions:

646 (a) The opinion shall be submitted with the annual statement
647 reflecting the valuation of such reserve liabilities for each year
648 ending on or after December 31, 1993;

649 (b) The opinion shall apply to all business in force
650 including individual and group health insurance plans, in form and
651 substance acceptable to the director as specified by regulation;

652 (c) The opinion shall be based on standards adopted from time
653 to time by the Actuarial Standards Board and on such additional
654 standards as the director may by regulation prescribe;

655 (d) In the case of an opinion required to be submitted by a
656 foreign or alien company, the director may accept the opinion filed
657 by that company with the insurance supervisory official of another

658 state if the director determines that the opinion reasonably meets
659 the requirements applicable to a company domiciled in this state;

660 (e) For the purposes of this section, "qualified actuary"
661 means a member in good standing of the American Academy of
662 Actuaries who meets the requirements set forth in such
663 regulations;

664 (f) Except in cases of fraud or willful misconduct, the
665 qualified actuary shall not be liable for damages to any person,
666 other than the insurance company and the director, for any act,
667 error, omission, decision or conduct with respect to the actuary's
668 opinion;

669 (g) Disciplinary action by the director against the company
670 or the qualified actuary shall be defined in regulations by the
671 director; and

672 (h) Any memorandum in support of the opinion, and any other
673 material provided by the company to the director in connection
674 therewith, shall be kept confidential by the director and shall not
675 be made public and shall not be subject to subpoena, other than for
676 the purpose of defending an action seeking damages from any person
677 by reason of any action required by this section or by regulations
678 promulgated hereunder; except that the memorandum or other
679 material may otherwise be released by the director:

680 a. With the written consent of the company; or

681 b. To the American Academy of Actuaries upon request stating
682 that the memorandum or other material is required for the purpose
683 of professional disciplinary proceedings and setting forth
684 procedures satisfactory to the director for preserving the

685 confidentiality of the memorandum or other material.

686

687 Once any portion of the confidential memorandum is cited by the
688 company in its marketing or is cited before any governmental agency
689 other than a state insurance department or is released by the
690 company to the news media, all portions of the confidential
691 memorandum shall be no longer confidential.

692 5. (1) This subsection shall apply to actuarial opinions of
693 reserves after the operative date of the valuation manual.

694 (2) Every company with outstanding life insurance contracts,
695 accident and health insurance contracts, or deposit-type contracts
696 in Missouri and subject to regulation by the director shall
697 annually submit the opinion of the appointed actuary as to whether
698 the reserves and related actuarial items held in support of the
699 policies and contracts are computed appropriately, are based on
700 assumptions that satisfy contractual provisions, are consistent
701 with prior reported amounts, and comply with applicable Missouri
702 law. The valuation manual shall prescribe the specifics of such
703 opinion, including any items deemed to be necessary to its scope.

704 (3) Every company with outstanding life insurance contracts,
705 accident and health insurance contracts, or deposit-type contracts
706 in Missouri and subject to regulation by the director, except as
707 exempted in the valuation manual, shall also annually include in
708 the opinion required under subdivision (2) of this subsection an
709 opinion of the same appointed actuary as to whether the reserves
710 and related actuarial items held in support of the policies and
711 contracts specified in the valuation manual, when considered in

712 light of the assets held by the company with respect to the
713 reserves and related actuarial items including, but not limited
714 to, the investment earnings on the assets and the considerations
715 anticipated to be received and retained under the policies and
716 contracts, make adequate provision for the company's obligations
717 under the policies and contracts including, but not limited to,
718 benefits under and expenses associated with the policies and
719 contracts.

720 (4) Each opinion required by subdivision (3) of this
721 subsection shall be governed by the following provisions:

722 (a) A memorandum, in form and substance as specified in the
723 valuation manual and acceptable to the director, shall be prepared
724 to support each actuarial opinion; and

725 (b) If the insurance company fails to provide a supporting
726 memorandum at the request of the director within a period specified
727 in the valuation manual or the director determines that the
728 supporting memorandum provided by the insurance company fails to
729 meet the standards prescribed by the valuation manual or is
730 otherwise unacceptable to the director, the director may engage a
731 qualified actuary at the expense of the company to review the
732 opinion and the basis for the opinion and prepare the supporting
733 memorandum required by the director.

734 (5) Every opinion required by this subsection shall be
735 governed by the following:

736 (a) The opinion shall be in form and substance as specified
737 in the valuation manual and acceptable to the director;

738 (b) The opinion shall be submitted with the annual statement

739 reflecting the valuation of such reserve liabilities for each year
740 ending on or after the operative date of the valuation manual;

741 (c) The opinion shall apply to all policies and contracts
742 subject to subdivision (3) of this subsection, plus other
743 actuarial liabilities as may be specified in the valuation manual;

744 (d) The opinion shall be based on standards adopted from time
745 to time by the Actuarial Standards Board or its successor, and on
746 such additional standards as may be prescribed in the valuation
747 manual;

748 (e) In the case of an opinion required to be submitted by a
749 foreign or alien company, the director may accept the opinion filed
750 by such company with the insurance supervisory official of another
751 state if the director determines that the opinion reasonably meets
752 the requirements applicable to a company domiciled in Missouri;

753 (f) Except in cases of fraud or willful misconduct, the
754 appointed actuary shall not be liable for damages to any person,
755 other than the insurance company and the director, for any act,
756 error, omission, decision, or conduct with respect to the
757 appointed actuary's opinion; and

758 (g) Disciplinary action by the director against the company
759 or the appointed actuary shall be defined in regulations by the
760 director.

761 6. (1) For policies issued on or after the operative date of
762 the valuation manual, the standard prescribed in the valuation
763 manual is the minimum standard of valuation required under
764 subsection 2 of section 376.370, except as provided under
765 subdivision (5) or (7) of this subsection.

766 (2) The operative date of the valuation manual is January
767 first of the first calendar year following the first July first as
768 of which all of the following have occurred:

769 (a) The valuation manual has been adopted by the NAIC by an
770 affirmative vote of at least forty-two members or three-fourths of
771 the members voting, whichever is greater;

772 (b) The standard valuation law as amended by the NAIC in 2009
773 or legislation including substantially similar terms and
774 provisions has been enacted by states representing greater than
775 seventy-five percent of the direct premiums written as reported in
776 the following annual statements submitted for 2008: life,
777 accident, and health annual statements; health annual statements;
778 or fraternal annual statements;

779 (c) The standard valuation law as amended by the NAIC in 2009
780 or legislation including substantially similar terms and
781 provisions has been enacted by at least forty-two of the following
782 fifty-five jurisdictions: the fifty states of the United States,
783 American Samoa, the American Virgin Islands, the District of
784 Columbia, Guam, and Puerto Rico; and

785 (d) The valuation manual becomes effective under an order of
786 the director.

787 (3) Unless a change in the valuation manual specifies a later
788 effective date, changes to the valuation manual shall be effective
789 on January first following the date when all of the following have
790 occurred:

791 (a) The change to the valuation manual has been adopted by
792 the NAIC by an affirmative vote representing:

793 a. At least three-fourths of the members of the NAIC voting,
794 but not less than a majority of the total membership; and

795 b. Members of the NAIC representing jurisdictions totaling
796 greater than seventy-five percent of the direct premiums written
797 as reported in the following annual statements most recently
798 available prior to the vote in subparagraph a. of this paragraph:
799 life, accident, and health annual statements; health annual
800 statements; or fraternal annual statements;

801 (b) The valuation manual becomes effective under an order of
802 the director.

803 (4) The valuation manual shall specify all of the following:

804 (a) Minimum valuation standards for and definitions of the
805 policies or contracts subject to subsection 2 of section 376.370.
806 Such minimum standards shall be:

807 a. The commissioners reserve valuation method for life
808 insurance contracts, other than annuity contracts, subject to
809 subsection 2 of section 376.370;

810 b. The commissioners annuity reserve valuation method for
811 annuity contracts subject to subsection 2 of section 376.370; and

812 c. Minimum reserves for all other policies and contracts
813 subject to subsection 2 of section 376.370;

814 (b) Which policies or contracts or types of policies or
815 contracts are subject to the requirements of a principle-based
816 valuation under subdivision (1) of subsection 7 of this section and
817 the minimum valuation standards consistent with such requirements;

818 (c) For policies and contracts subject to principle-based
819 valuation under subsection 7 of this section:

820 a. Requirements for the format of reports to the director
821 under paragraph (c) of subdivision (2) of subsection 7 of this
822 section and which shall include information necessary to determine
823 if the valuation is appropriate and in compliance with sections
824 376.365 to 376.380;

825 b. Assumptions which shall be prescribed for risks over which
826 the company does not have significant control or influence;

827 c. Procedures for corporate governance and oversight of the
828 actuarial function, and a process for appropriate waiver or
829 modification of such procedures;

830 (d) For policies not subject to a principle-based valuation
831 under subsection 7 of this section, the minimum valuation standard
832 shall either:

833 a. Be consistent with the minimum standard of valuation prior
834 to the operative date of the valuation manual; or

835 b. Develop reserves that quantify the benefits and
836 guarantees, and the funding, associated with the contracts and
837 their risks at a level of conservatism that reflects conditions
838 that include unfavorable events that have a reasonable probability
839 of occurring;

840 (e) Other requirements including, but not limited to, those
841 relating to reserve methods, models for measuring risk, generation
842 of economic scenarios, assumptions, margins, use of company
843 experience, risk measurement, disclosure, certifications, reports,
844 actuarial opinions and memorandums, transition rules, and internal
845 controls; and

846 (f) The data and form of the data required under subsection 8

847 of this section, to whom the data shall be submitted, and may
848 specify other requirements, including data analyses and reporting
849 of analyses.

850 (5) In the absence of a specific valuation requirement or if
851 a specific valuation requirement in the valuation manual is not, in
852 the opinion of the director, in compliance with sections 376.365 to
853 376.380, the company shall, with respect to such requirements,
854 comply with minimum valuation standards prescribed by the director
855 by regulation.

856 (6) The director may engage a qualified actuary, at the
857 expense of the company, to perform an actuarial examination of the
858 company and opine on the appropriateness of any reserve assumption
859 or method used by the company, or to review and opine on a
860 company's compliance with any requirement set forth in sections
861 376.365 to 376.380. The director may rely upon the opinion
862 regarding provisions contained in sections 376.365 to 376.380 of a
863 qualified actuary engaged by the director of another state,
864 district, or territory of the United States. As used in this
865 subdivision, engage includes employment and contracting.

866 (7) The director may require a company to change any
867 assumption or method that in the opinion of the director is
868 necessary in order to comply with the requirements of the valuation
869 manual or sections 376.365 to 376.380, and the company shall adjust
870 the reserves as required by the director. The director may take
871 other disciplinary action as permitted under chapter 354 and
872 chapters 374 to 385.

873 7. (1) A company shall establish reserves using a principle-

874 based valuation that meets the following conditions for policies
875 or contracts as specified in the valuation manual:

876 (a) Quantify the benefits and guarantees, and the funding,
877 associated with the contracts and their risks at a level of
878 conservatism that reflects conditions that include unfavorable
879 events that have a reasonable probability of occurring during the
880 lifetime of the contracts. For policies or contracts with
881 significant tail risk, the company's valuation shall reflect
882 conditions appropriately adverse to quantify the tail risk;

883 (b) Incorporate assumptions, risk analysis methods, and
884 financial models and management techniques that are consistent
885 with, but not necessarily identical to, those utilized within the
886 company's overall risk assessment process, while recognizing
887 potential differences in financial reporting structures and any
888 prescribed assumptions or methods;

889 (c) Incorporate assumptions that are derived in one of the
890 following manners:

891 a. The assumption is prescribed in the valuation manual; or
892 b. For assumptions that are not prescribed, the assumption
893 shall:

894 (i) Be established utilizing the company's available
895 experience to the extent it is relevant and statistically
896 credible; or

897 (ii) To the extent that company data is not available,
898 relevant, or statistically credible, be established utilizing
899 other relevant statistically credible experience;

900 (d) Provide margins for uncertainty, including adverse

901 deviation and estimation error, such that the greater the
902 uncertainty the larger the margin and resulting reserve.

903 (2) A company using a principle-based valuation for one or
904 more policies or contracts subject to this section as specified in
905 the valuation manual shall:

906 (a) Establish procedures for corporate governance and
907 oversight of the actuarial valuation function consistent with
908 those described in the valuation manual;

909 (b) Provide to the director an annual certification of the
910 effectiveness of the internal controls with respect to the
911 principle-based valuation. Such controls shall be designed to
912 ensure that all material risks inherent in the liabilities and
913 associated assets subject to such valuation are included in the
914 valuation and that valuations are made in accordance with the
915 valuation manual. The certification shall be based on the controls
916 in place as of the end of the preceding calendar year;

917 (c) Develop, and file with the director upon request, a
918 principle-based valuation report that complies with standards
919 prescribed in the valuation manual.

920 (3) A principle-based valuation may include a prescribed
921 formulaic reserve component.

922 8. For policies in force on or after the operative date of
923 the valuation manual, a company shall submit mortality, morbidity,
924 policyholder behavior, or expense experience and other data as
925 prescribed in the valuation manual.

926 9. (1) For purposes of this subsection, "confidential
927 information" means:

928 (a) A memorandum in support of an opinion submitted under
929 subsection 4 or 5 of this section and any other documents,
930 materials, and other information including, but not limited to,
931 all working papers and copies thereof created, produced, or
932 obtained by or disclosed to the director or any other person in
933 connection with such memorandum;

934 (b) All documents, materials, and other information
935 including, but not limited to, all working papers and copies
936 thereof created, produced, or obtained by or disclosed to the
937 director or any other person in the course of an examination made
938 under subdivision (6) of subsection 6 of this section; provided,
939 however, that if an examination report or other material prepared
940 in connection with an examination made under section 374.205 is not
941 held as private and confidential information under section
942 374.205, an examination report or other material prepared in
943 connection with an examination made under subdivision (6) of
944 subsection 6 of this section shall not be confidential information
945 to the same extent as if such examination report or other material
946 had been prepared under section 374.205;

947 (c) Any reports, documents, materials, and other information
948 developed by a company in support of or in connection with an
949 annual certification by the company under paragraph (b) of
950 subdivision (2) of subsection 7 of this section evaluating the
951 effectiveness of the company's internal controls with respect to a
952 principle-based valuation and any other documents, materials, and
953 other information including, but not limited to, all working
954 papers and copies thereof created, produced, or obtained by or

955 disclosed to the director or any other person in connection with
956 such reports, documents, material, and other information;

957 (d) Any principle-based valuation report developed under
958 paragraph (c) of subdivision (2) of subsection 7 of this section
959 and any other documents, materials, and other information
960 including, but not limited to, all working papers and copies
961 thereof created, produced, or obtained by or disclosed to the
962 director or any other person in connection with such report; and

963 (e) Any documents, materials, data, and other information
964 submitted by a company under subsection 8 of this section
965 (collectively, "experience data") and any other documents,
966 materials, data, and other information including, but not limited
967 to, all working papers and copies thereof created or produced in
968 connection with such experience data, in each case that include any
969 potentially company-identifying or personally identifiable
970 information, that is provided to or obtained by the director
971 (together with any "experience data", the "experience materials")
972 and any other documents, materials, data, and other information
973 including, but not limited to, all working papers and copies
974 thereof created, produced, or obtained by or disclosed to the
975 director or any other person in connection with such experience
976 materials.

977 (2) (a) Except as provided in this subsection, a company's
978 confidential information is confidential by law and privileged,
979 and shall not be subject to chapter 610, shall not be subject to
980 subpoena, and shall not be subject to discovery or admissible in
981 evidence in any private civil action; provided, however, that the

982 director is authorized to use the confidential information in the
983 furtherance of any regulatory or legal action brought against the
984 company as a part of the director's official duties.

985 (b) Neither the director nor any person who received
986 confidential information while acting under the authority of the
987 director shall be permitted or required to testify in any private
988 civil action concerning any confidential information.

989 (c) In order to assist in the performance of the director's
990 duties, the director may share confidential information with:

991 a. Other state, federal, and international regulatory
992 agencies and with the NAIC and its affiliates and subsidiaries; and

993 b. In the case of confidential information specified in
994 paragraphs (a) and (d) of subdivision (1) of this subsection only,
995 the Actuarial Board for Counseling and Discipline or its successor
996 upon request stating that the confidential information is required
997 for the purpose of professional disciplinary proceedings and with
998 state, federal, and international law enforcement officials.

999 (d) The sharing of confidential information detailed in
1000 paragraph (c) of this subdivision shall be contingent on such
1001 recipient agreeing and having the legal authority to agree to
1002 maintain the confidentiality and privileged status of such
1003 documents, materials, data, and other information in the same
1004 manner and to the same extent as required for the director.

1005 (e) The director may receive documents, materials, data, and
1006 other information, including otherwise confidential and privileged
1007 documents, materials, data, or information, from the NAIC and its
1008 affiliates and subsidiaries, from regulatory or law enforcement

1009 officials of other foreign or domestic jurisdictions, and from the
1010 Actuarial Board for Counseling and Discipline or its successor and
1011 shall maintain as confidential or privileged any document,
1012 material, data, or other information received with notice or the
1013 understanding that it is confidential or privileged under the laws
1014 of the jurisdiction that is the source of the document, material,
1015 or other information.

1016 (f) The director may enter into agreements governing sharing
1017 and use of information consistent with this subdivision.

1018 (g) No waiver of any applicable privilege or claim of
1019 confidentiality in the confidential information shall occur as a
1020 result of disclosure to the director under this section or as a
1021 result of sharing as authorized in paragraph (c) of this
1022 subdivision.

1023 (h) A privilege established under the law of any state or
1024 jurisdiction that is substantially similar to the privilege
1025 established under this subdivision shall be available and enforced
1026 in any proceeding in, and in any court of, Missouri.

1027 (i) In this subsection, regulatory agency, law enforcement
1028 agency, and the NAIC include, but are not limited to, their
1029 employees, agents, consultants and contractors.

1030 (3) Notwithstanding subdivision (2) of this subsection, any
1031 confidential information specified in paragraphs (a) and (d) of
1032 subdivision (1) of this subsection:

1033 (a) May be subject to subpoena for the purpose of defending
1034 an action seeking damages from the appointed actuary submitting
1035 the related memorandum in support of an opinion submitted under

1036 subsection 4 or 5 of this section or principle-based valuation
1037 report developed under paragraph (c) of subdivision (2) of
1038 subsection 7 of this section by reason of an action required by
1039 sections 376.365 to 376.380 or by regulations promulgated
1040 hereunder;

1041 (b) May otherwise be released by the director with the
1042 written consent of the company; and

1043 (c) Once any portion of a memorandum in support of an opinion
1044 submitted under subsection 4 or 5 of this section or a principle-
1045 based valuation report developed under paragraph (c) of
1046 subdivision (2) of subsection 7 of this section is cited by the
1047 company in its marketing, or is publicly volunteered to or before a
1048 governmental agency other than a state insurance department, or is
1049 released by the company to the news media, all portions of such
1050 memorandum or report shall no longer be confidential.

1051 10. The director may exempt specific product forms or product
1052 lines of a domestic company that is licensed and doing business
1053 only in Missouri from the requirements of subsection 6 of this
1054 section provided:

1055 (1) The director has issued an exemption in writing to the
1056 company and has not subsequently revoked the exemption in writing;
1057 and

1058 (2) The company computes reserves using assumptions and
1059 methods used prior to the operative date of the valuation manual in
1060 addition to any requirements established by the director and
1061 promulgated by regulation.

1062

1063 For any company granted an exemption under this section,
1064 subsection 3 of section 376.370 and subsections 1 to 5 of this
1065 section shall be applicable. With respect to any company applying
1066 this exemption, any reference to subsection 6 of this section found
1067 in subsection 3 of section 376.370 and subsections 1 to 5 of this
1068 section shall not be applicable.

1069 ~~[11. (1) A company that has less than three hundred million~~
1070 ~~dollars of ordinary life premium and that is licensed and doing~~
1071 ~~business in Missouri and that is subject to the requirements of~~
1072 ~~subsections 6 and 7 of this section may hold reserves based on the~~
1073 ~~mortality tables and interest rates defined by the valuation~~
1074 ~~manual for net premium reserves and using the methodology defined~~
1075 ~~in the provisions of paragraphs (b) through (i) of subdivision (2)~~
1076 ~~of subsection 1 of this section and subsection 3 of section~~
1077 ~~376.370 as they apply to ordinary life insurance in lieu of the~~
1078 ~~reserves required by subsections 6 and 7 of this section, provided~~
1079 ~~that:~~

1080 ~~(a) If the company is a member of a group of life insurers,~~
1081 ~~the group has combined ordinary life premiums of less than six~~
1082 ~~hundred million dollars;—~~

1083 ~~(b) The company reported total adjusted capital of at least~~
1084 ~~four hundred fifty percent of authorized control level risk-based~~
1085 ~~capital in the risk-based capital report for the prior calendar~~
1086 ~~year;—~~

1087 ~~(c) The appointed actuary has provided an unqualified~~
1088 ~~opinion on the reserves in accordance with subsections 4 and 5 of~~
1089 ~~this section for the prior calendar year;—~~

1090 ~~(d) The company has provided a certification by a qualified~~
1091 ~~actuary that any universal life policy with a secondary guarantee~~
1092 ~~issued after the operative date of the valuation manual meets the~~
1093 ~~definition of a nonmaterial secondary guarantee universal life~~
1094 ~~product as defined in the valuation manual.~~

1095 ~~(2) For purposes of subdivision (1) of this subsection,~~
1096 ~~ordinary life premiums are measured as direct premium plus~~
1097 ~~reinsurance assumed from an unaffiliated company, as reported in~~
1098 ~~the prior calendar year annual statement.~~

1099 ~~(3) A domestic company meeting all of the above conditions~~
1100 ~~may file a statement prior to July first with the director~~
1101 ~~certifying that these conditions are met for the current calendar~~
1102 ~~year based on premiums and other values from the prior calendar~~
1103 ~~year financial statements. The director may reject such statement~~
1104 ~~prior to September first and require a company to comply with the~~
1105 ~~valuation manual requirements for life insurance reserves.]~~

376.1800. 1. As used in this section, the following terms
2 shall mean:

3 (1) "Medical retainer agreement", a contract between a
4 ~~physician~~ provider and an individual patient or such individual
5 patient's legal representative in which the ~~physician~~ provider
6 agrees to provide certain health care services described in the
7 agreement to the individual patient for an agreed-upon fee and
8 period of time;

9 (2) ~~Physician~~ Provider, a chiropractor licensed under
10 chapter 331, a dentist licensed under chapter 332, or a physician
11 licensed under chapter 334. ~~Physician~~ Provider includes an

12 individual ~~[physician]~~ provider or a group of ~~[physicians]~~
13 providers.

14 2. A medical retainer agreement is not insurance and is not
15 subject to this chapter. Entering into a medical retainer
16 agreement is not the business of insurance and is not subject to
17 this chapter.

18 3. A ~~[physician]~~ provider or agent of a ~~[physician]~~ provider
19 is not required to obtain a certificate of authority or license
20 under this section to market, sell, or offer to sell a medical
21 retainer agreement.

22 4. To be considered a medical retainer agreement for the
23 purposes of this section, the agreement shall meet all of the
24 following requirements:

25 (1) Be in writing;

26 (2) Be signed by the ~~[physician]~~ provider or agent of the
27 ~~[physician]~~ provider and the individual patient or such individual
28 patient's legal representative;

29 (3) Allow either party to terminate the agreement on written
30 notice to the other party;

31 (4) Describe the specific health care services that are
32 included in the agreement;

33 (5) Specify the fee for the agreement;

34 (6) Specify the period of time under the agreement; and

35 (7) Prominently state in writing that the agreement is not
36 health insurance.

37 5. (1) For any patient who enters into a medical retainer
38 agreement under this section and who has established a health

39 savings account (HSA) in compliance with 26 U.S.C. Section 223, or
40 who has a flexible spending arrangement (FSA) or health
41 reimbursement arrangement (HRA), fees under the patient's medical
42 retainer agreement may be paid from such health savings account or
43 reimbursed through such flexible spending arrangement or health
44 reimbursement arrangement, subject to any federal or state laws
45 regarding qualified expenditures from a health savings account, or
46 reimbursement through a flexible spending arrangement or a health
47 reimbursement arrangement.

48 (2) The employer of any patient described in subdivision (1)
49 of this subsection may:

50 (a) Make contributions to such patient's health savings
51 account, flexible spending arrangement, or health reimbursement
52 arrangement to cover all or any portion of the agreed-upon fees
53 under the patient's medical retainer agreement, subject to any
54 federal or state restrictions on contributions made by an employer
55 to a health savings account, or reimbursement through a flexible
56 spending arrangement, or health reimbursement arrangement; or

57 (b) Pay the agreed-upon fees directly to the ~~physician~~
58 provider under the medical retainer agreement.

59 6. Nothing in this section shall be construed as prohibiting,
60 limiting, or otherwise restricting a ~~physician~~ provider in a
61 collaborative practice arrangement from entering into a medical
62 retainer agreement under this section.

379.011. 1. As used in this section, the following terms
2 mean:

3 (1) "Delivered by electronic means", includes delivery to an

4 electronic mail address at which a party has consented to receive
5 notices or documents, or posting on an electronic network or site
6 accessible via the internet, mobile application, computer, mobile
7 device, tablet, or any other electronic device, together with a
8 separate notice to a party directed to the electronic mail address
9 at which the party has consented to receive notice of the posting;

10 (2) "Party", any recipient of any notice or document required
11 as part of an insurance transaction, including but not limited to
12 an applicant, an insured or a policyholder.

13 2. Subject to subsection 3 of this section, any notice to a
14 party or any other document required under applicable law in an
15 insurance transaction or that is to serve as evidence of insurance
16 coverage may be delivered, stored, and presented by electronic
17 means so long as it meets the requirements of sections 432.200 to
18 432.295. Delivery of a notice or document in accordance with this
19 subsection shall be considered equivalent to any delivery method
20 required under applicable law, including delivery by first class
21 mail, first class mail postage prepaid, certified mail, or
22 certificate of mailing.

23 3. A notice or document may be delivered by electronic means
24 by an insurer to a party under this ~~[subsection]~~ section if:

25 (1) The party has affirmatively consented to that method of
26 delivery and has not withdrawn the consent;

27 (2) The party, before giving consent, is provided with a
28 clear and conspicuous statement informing the party of:

29 (a) Any right or option to have the notice or document
30 provided in paper or another nonelectronic form at no additional

31 cost;

32 (b) The right of the party to withdraw consent to have a
33 notice or document delivered by electronic means;

34 (c) Whether the party's consent applies only to the
35 particular transaction as to which the notice or document must be
36 given or to identified categories of notices or documents that may
37 be delivered by electronic means during the course of the parties'
38 relationship;

39 (d) The means, after consent is given, by which a party may
40 obtain a paper copy of a notice or document delivered by electronic
41 means at no additional cost; and

42 (e) The procedure a party must follow to withdraw consent to
43 have a notice or document delivered by electronic means and to
44 update information needed to contact the party electronically;

45 (3) The party, before giving consent, is provided with a
46 statement of the hardware and software requirements for access to
47 and retention of a notice or document delivered by electronic means
48 and consents electronically, and confirms consent electronically,
49 in a manner that reasonably demonstrates that the party can access
50 information in the electronic form that will be used for notices or
51 documents delivered by electronic means as to which the party has
52 given consent; and

53 (4) After consent of the party is given, the insurer, in the
54 event a change in the hardware or software requirements needed to
55 access or retain a notice or document delivered in electronic means
56 creates a material risk that the party will not be able to access
57 or retain a subsequent notice or document to which the consent

58 applies:

59 (a) Provides the party with a statement of the revised
60 hardware and software requirements for access to and retention of a
61 notice or document delivered by electronic means and of the right
62 of the party to withdraw consent pursuant to paragraph (b) of
63 subdivision (2) of this subsection; and

64 (b) Complies with subdivision (2) of this subsection.

65 4. Notwithstanding any other provisions of this section, if a
66 policy of insurance is purchased directly through an insurer's
67 website, portal, or application, and is initially delivered by
68 electronic means, a party's consent to have all future notices and
69 documents related to the policy, or claims thereunder, delivered
70 by electronic means shall be presumed. Nothing in this subsection
71 shall affect the right of a party under this section to withdraw
72 its consent to have a notice or document delivered by electronic
73 means.

74 5. This section does not affect requirements relating to
75 content or timing of any notice or document required under
76 applicable law. If any provision of applicable law requiring a
77 notice or document to be provided to a party expressly requires
78 verification or acknowledgment of receipt of the notice or
79 document, the notice or document may be delivered by electronic
80 means only if the method used provides for verification or
81 acknowledgment of receipt. Absent verification or acknowledgment
82 of receipt of the initial notice or document on the part of the
83 party, the insurer shall send two subsequent notices or documents
84 at intervals of five business days. The legal effectiveness,

85 validity, or enforceability of any contract or policy of insurance
86 executed by a party may not be made contingent upon obtaining
87 electronic consent or confirmation of consent of the party in
88 accordance with subdivision (3) of subsection 3 of this section.

89 ~~[5.]~~ 6. A withdrawal of consent by a party does not affect
90 the legal effectiveness, validity, or enforceability of a notice
91 or document delivered by electronic means to the party before the
92 withdrawal of consent is effective. A withdrawal of consent by a
93 party is effective within thirty days after receipt of the
94 withdrawal by the insurer. Failure by an insurer to comply with
95 subdivision (4) of subsection 3 of this section may be treated, at
96 the election of the party, as a withdrawal of consent for purposes
97 of this section.

98 ~~[6.]~~ 7. This section does not apply to a notice or document
99 delivered by an insurer in an electronic form before August 28,
100 2013, to a party who, before that date, has consented to receive
101 notices or documents in an electronic form otherwise allowed by
102 law. If the consent of a party to receive certain notices or
103 documents in an electronic form is on file with an insurer before
104 August 28, 2013, and pursuant to this section, an insurer intends
105 to deliver additional notices or documents to such party in an
106 electronic form, then prior to delivering such additional notices
107 or documents electronically, the insurer shall notify the party
108 of:

109 (1) The notices or documents that may be delivered by
110 electronic means under this section that were not previously
111 delivered electronically; and

112 (2) The party's right to withdraw consent to have notices or
113 documents delivered by electronic means.

114 ~~[7.]~~ 8. A party who does not consent to delivery of notices
115 or documents under subsection 3 of this section, or who withdraws
116 their consent, shall not be subject to any additional fees or costs
117 for having notices or documents provided or made available to them
118 in paper or another nonelectronic form.

119 ~~[8.]~~ 9. If any provision of applicable law requires a
120 signature or notice or document to be notarized, acknowledged,
121 verified, or made under oath, the requirement is satisfied if the
122 electronic signature of the person authorized to perform those
123 acts, together with all other information required to be included
124 by the provision, is attached to or logically associated with the
125 signature, notice, or document.

126 ~~[9.]~~ 10. This section may not be construed to modify, limit,
127 or supercede the provisions of sections 354.442, 376.1450, or
128 432.200 to 432.295. The provisions of this section shall apply to
129 notices and documents issued by insurers organized under this
130 chapter or chapter 380 and to notices and documents relating to
131 life insurance products issued by insurers organized under chapter
132 376.

133 ~~[10.]~~ 11. Nothing in this section shall prevent an insurer
134 from offering a discount to an insured who elects to receive
135 notices and documents electronically in accordance with this
136 section.

Section B. The repeal and reenactment of section 288.132 and
2 the enactment of section 288.133 shall become effective January 1,

3 2023.

Section C. The repeal and reenactment of sections 303.025 and
2 303.041 shall take effect on January 1, 2024.

✓

House Sponsor

Senate Handler