

SB0217/757271/1

BY: Finance Committee

AMENDMENTS TO SENATE BILL 217  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, strike “using” and substitute “offering”; strike beginning with “discloses” in line 6 down through “proceeds” in line 14 and substitute “makes a certain offer and complies with certain disclosure requirements; requiring an insurer to disclose in writing to a beneficiary all the settlement options available under a certain policy or contract under certain circumstances; requiring an insurer that offers to a beneficiary a retained asset account as a settlement option to provide to the beneficiary in writing certain information under certain circumstances”; in line 14, strike “the description and explanation” and substitute “certain information”; strike beginning with “requiring” in line 15 down through “manner;” in line 18; and in line 20, after “Article;” insert “defining a certain term;”.

AMENDMENT NO. 2

On page 2, strike beginning with the comma in line 5 down through the comma in line 6; in line 7, strike “AN” and substitute “A CHECKING OR DRAFT”; in line 10, strike “(1)”; in the same line, strike “USE” and substitute “OFFER”; strike beginning with the comma in line 12 down through the colon in line 26 and substitute “THE INSURER:

(1) OFFERS THE BENEFICIARY AT LEAST ONE OTHER MODE OF SETTLEMENT OF PROCEEDS; AND

(2) COMPLIES WITH THE PROVISIONS OF SUBSECTIONS (C) AND (D) OF THIS SECTION.

(Over)

**(C) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, WHEN A BENEFICIARY FILES A CLAIM FOR PROCEEDS, IF ONE OF THE SETTLEMENT OPTIONS IS A RETAINED ASSET ACCOUNT, THE INSURER SHALL DISCLOSE IN WRITING TO THE BENEFICIARY ALL THE SETTLEMENT OPTIONS AVAILABLE UNDER THE POLICY OR CONTRACT.**

**(D) (1) EXCEPT AS PROVIDED IN SUBSECTION (E) OF THIS SECTION, IF AN INSURER OFFERS TO A BENEFICIARY A RETAINED ASSET ACCOUNT AS A SETTLEMENT OPTION, THE INSURER SHALL PROVIDE TO THE BENEFICIARY IN WRITING:**;

in line 27, strike “THE” and substitute “A”; after line 29, insert:

**“(II) AN EXPLANATION OF THE FEATURES OF THE RETAINED ASSET ACCOUNT, INCLUDING:**;

in line 30, strike “(II)” and substitute “1.”; in the same line, strike “INITIAL INTEREST RATE” and substitute “METHOD USED TO DETERMINE INTEREST RATES APPLIED TO THE RETAINED ASSET ACCOUNT”; and in line 33, strike “(III)” and substitute “2.”.

### AMENDMENT NO. 3

On page 3, in line 1, strike “(IV)” and substitute “3. WHETHER”; in the same line, strike “COVERAGE” and substitute “FUNDS IN THE RETAINED ASSET ACCOUNT ARE”; in line 3, after “COVERAGE” insert “, IF ANY”; in line 4, strike “(V)” and substitute “4.”; in line 6, strike “BENEFIT PAYMENT” and substitute “WITHDRAWAL”; strike in their entirety lines 8 through 10, inclusive; in lines 11, 13, 15, 18, 21, and 25, strike “(VII)”, “(VIII)”, “(IX)”, “(X)”, “(XI)”, and “(XII)”, respectively, and substitute “5.”, “6.”, “7.”, “8.”, “9.”, and “10.”, respectively; strike beginning with “PAYMENT” in line 15 down through “FUNDS” in line 17 and substitute “OBLIGATION”

OF THE INSURER TO PAY THE TOTAL POLICY OR CONTRACT PROCEEDS IS SATISFIED BY DEPOSITING THE TOTAL PROCEEDS IN THE RETAINED ASSET ACCOUNT"; in line 24, after "ACCOUNT;" insert "AND"; strike in their entirety lines 28 through 30, inclusive, and substitute:

"(III) THE STATEMENT "FOR FURTHER INFORMATION, PLEASE CONTACT YOUR STATE INSURANCE DEPARTMENT".";

in line 31, strike "**(3)**" and substitute "**(2)**"; in the same line, strike "REQUIRED DESCRIPTION AND EXPLANATION" and substitute "INFORMATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION"; and in line 32, strike "IN:" and substitute "IN EASY TO READ LANGUAGE.".

AMENDMENT NO. 4

On pages 4 and 5, strike in their entirety the lines beginning with line 1 on page 4 through line 8 on page 5, inclusive, and substitute:

"(E) AN INSURER IS NOT REQUIRED TO PROVIDE THE DISCLOSURES OR INFORMATION SPECIFIED IN SUBSECTIONS (C) AND (D) OF THIS SECTION IF:

(1) THE INSURER PERMITS THE BENEFICIARY TO FILE THE CLAIM OVER THE TELEPHONE;

(2) THE INSURER DOES NOT REQUIRE THE BENEFICIARY TO FILE A DEATH CERTIFICATE OR OTHER PAPERWORK TO FILE THE CLAIM FOR PROCEEDS; AND

(3) THE BENEFICIARY SELECTS PAYMENT OF A LUMP SUM CHECK, PAYABLE DIRECTLY TO THE BENEFICIARY, AS THE SETTLEMENT OPTION

(Over)

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**FIN**

**DURING THE TELEPHONE CALL IN WHICH THE BENEFICIARY FILES THE CLAIM FOR PROCEEDS.”.**