

# RIMS Legislative Issues

Last update: 9/20/2011

## Federal Initiatives

Item	Bill name	Description	RIMS Position	Status	Comments
2011 -1	H.R. 1063, the Strengthening Medicare and Repaying Taxpayers Act (SMART)	<ul style="list-style-type: none"> <li>• streamlines the reporting process for insurers, self-insurers and nongroup health insurers where there is a settlement with a beneficiary</li> <li>• empowers Medicare to provide settling parties with the amount of their MSP repayment obligations during the settlement process so that taxpayers may settle quicker and parties can repay the Medicare Trust Fund faster</li> <li>• legislation also eliminates the required use of Social Security Number and Health Insurance Claim Numbers in the reporting process</li> </ul>	Supports legislation to simplify reporting obligations of secondary payers such as insurers, self-insurers and nongroup health plans so as to alleviate the potential for fines of \$1,000 per day per violation.	<p><b><u>House of Representatives</u></b>            Introduced by Rep. Tim Murphy (R-PA) and Rep. Ron Kind (D-WI)- Referred to House Ways and Means, Energy and Commerce Committees  <b><u>E&amp;C sub. Hearing;</u></b></p> <p><b><u>Senate</u></b>            Introduction Pending</p>	
2011-2	Amendments to the Risk	Legislation is very similar to legislation considered in the past	RIMS has supported past	<b><u>House of Representatives</u></b>	

	Retention Act, H.R. 2126	several congresses. It expands the Liability Risk Retention Act (RRA) beyond product liability and other forms of liability insurance (except workers comp) to permit risk retention groups to also write property coverage.	efforts in 1986 to expand the Liability Risk Retention Act as well as previous iterations of the current legislation. Expanding the Liability Risk Retention Act to include property would help to stabilize prices and increase coverage availability in the commercial property insurance marketplace.	<b>House Bill introduced- H.R. 2126</b>  <b><u>Senate</u></b> Pending Introduction	
2011-3	H.R. 1309: Flood Insurance Reform Act of 2011	HR 1309 would reauthorize NFIP for five years; phases in important reforms to encourage greater participation so as to help solvency; increases the coverage limits; modernizes the mapping of hazard areas; provides optional coverage for business interruption at the full-risk rate if there's not a market for the coverage	RIMS supports a 5 year reauthorization and programmatic reforms	<b><u>House</u></b> Passed the House by a vote of 406-22 on July 12, 2011.  <b><u>Senate</u></b> Marked up and passed by Senate Banking Committee	

## State Legislative Initiatives:

Item	Bill name	State	Description	RIMS Position	Status	Comments
2011-4	Establishes the Office of Risk Assessment and Management	New York	<ul style="list-style-type: none"> <li>Creates the NY Office of Risk Assessment and Management (ORAM) within the Office of General Services. This enhanced central office is intended to help the State of NY determine its risk exposure while allowing for a centralized system of reducing such exposure through the integration of professional risk management into daily state functions.</li> <li>brings NY in line with a majority of states which already have a centralized risk management structure and system in place</li> </ul>	RIMS strongly supports efforts to enact this legislation and to create the Office of Risk Assessment and Management. RIMS played an integral role in amending the original legislation to incorporate key ERM principles which are now a central component to the legislation. RIMS is pleased that this legislation recognizes the tremendous importance of effective risk management in managing the state's exposures.	Referred to Senate Finance Committee <b>Senate:</b> SB 1029 Sponsored by Senator Klein (D) Cosponsors: Senators Addabo (D), Carlucci (D), Savino (D), Valesky (D) <b>House:</b> Sponsored by Assemblyman Jonathan Bing (D) A6731	Was not included in the NY 2011 budget as hoped. Will now have to move through the regular legislative process.
2011-5	Authorizes producer compensation in the form of fees in certain circumstances	Louisiana	Allows fee arrangements to be negotiated for commercial policies, including fees in lieu of commissions, if the commercial insurance policyholder (or governmental entity) meets one of the	<i>Support.</i> RIMS strongly supported this legislation as it bring Louisiana law in line with most other states that currently have commercial exemptions on the books. RIMS had	Signed by Governor on June 6, 2011.	

			<p>following criteria:</p> <ol style="list-style-type: none"><li>1. Has total property and casualty insurance premiums in excess of five hundred thousand \$</li><li>2. Obtains insurance coverage with a per occurrence or per claim deductible or self-insured retention of \$50,000 or more for workers comp, general liability, or auto insurance coverage</li><li>3. Has a net worth in excess of twenty-five million \$</li><li>4. Qualifies as a self-insurer with the state of LA</li><li>5. Is a governmental entity that had a contract prior to August 9, 2010 with an insurance producer on a stipulated fee basis for the placement of commercial property and casualty insurance coverages.</li></ol>	<p>previously met face to face with LA Insurance Commissioner James Donelon to express RIMS support for such an exemption.</p>		
--	--	--	---	--	--	--