

SENATE FILE NO. SF0059

Insurance-consumer protections.

Sponsored by: Senator(s) Scott and Representative(s) Gay

A BILL

for

1 AN ACT relating to insurance; providing for a violation of
2 the insurance contract as an unfair trade practice;
3 specifying frequency required to constitute a general
4 business practice for purposes of unfair trade practices;
5 and providing for an effective date.

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7 *Be It Enacted by the Legislature of the State of Wyoming:*

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9 **Section 1.** W.S. 26-13-102 is amended to read:

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11 **26-13-102. Unfair methods and deceptive acts**
12 **prohibited.**

13

14 (a) No person shall engage in this state in any trade
15 practice which is defined in this article as or is
16 determined pursuant to this article to be an unfair method

1 of competition or an unfair or deceptive act or practice in
2 the business of insurance.

3

4 (b) It shall be an unfair and deceptive act in the
5 practice of insurance for an insurer to fail to comply with
6 any of the terms or conditions of a contract or policy or
7 contracts or policies with a frequency which indicates a
8 general business practice of failure to comply with the
9 terms thereof.

10

11 (c) An insurer's conduct will constitute "with a
12 frequency as to indicate a general business practice" if
13 the conduct in question constitutes more than a single
14 violation of the terms or conditions of a contract or
15 policy of insurance, but rather rises to the level of
16 conduct that constitutes a habit, custom or business policy
17 of the insurer, so that, viewing the conduct as a whole, a
18 reasonable person would conclude that the conduct is
19 sufficiently pervasive and sufficiently sanctioned by the
20 insurer that the conduct can be considered a general
21 business practice and not an isolated event.

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1 **Section 2.** This act is effective July 1, 2013.

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(END)