SENATE FILE NO. SF0107

Certificates of insurance.

Sponsored by: Senator(s) Bebout and Scott

A BILL

for

AN ACT relating to insurance; requiring language to be included in a certificate of insurance; providing definitions; and providing for an effective date.

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

Section 1. W.S. 26-13-125 is created to read:

26-13-125. Certificates of insurance.

(a) No person shall prepare, issue or knowingly request the issuance of a certificate of insurance unless the form has been filed and approved in accordance with W.S. 26-15-110. No person shall alter or modify a certificate of insurance form unless the alteration or modification has been filed and approved in accordance with chapter 15 of this code. The forms used for a certificate of insurance for surplus lines policies issued pursuant to the nonadmitted insurance law, W.S. 26-11-101 et seq., are not subject to the approval requirements of this subsection. Certificates issued for surplus lines insurance policies shall use either:

(i) A form approved for the policy by the insurer's home state; or

(ii) A standard form used by the issuing insurer if there is no relevant form approved by the home state.

(b) Each certificate of insurance shall contain the following or similar statement: "This certificate of insurance is issued as a matter of information only and confers no rights upon the certificate holder. Subject to W.S. 26-13-125(e), this certificate does not alter, amend or extend the coverage, terms, exclusions and conditions afforded by the policies referenced herein."

(c) No person shall demand or request the issuance of a certificate of insurance or other document, record or correspondence that the person knows contains any false or misleading information or that purports to affirmatively or negatively alter, amend or extend the coverage provided by the policy of insurance to which the certificate makes reference.

(d) The provisions of this section shall apply to all certificate holders, policy holders, insurers, insurance producers and certificate of insurance forms issued as evidence of property or casualty insurance coverages on property, operations or risks located in this state, regardless of where the certificate holder, policy holder, insurer or insurance producer is located.

(e) A certificate of insurance is not a policy of insurance and does not affirmatively or negatively alter, amend or extend the coverage afforded by the policy to which the certificate of insurance makes reference. A certificate of insurance shall not confer to a certificate holder any new or additional rights beyond what the referenced policy or insurance provides. Any policy limits shall be accurately reflected within the certificate of insurance.

(f) No certificate of insurance shall contain references to contracts other than the underlying contracts of insurance, including construction or service contracts. Notwithstanding any requirement, term or condition of any contract or other document with respect to which a certificate of insurance may be issued or may pertain, the insurance afforded by the referenced policy of insurance is subject to all the terms, exclusions and conditions of the policy itself.

(g) A person is entitled to receive notice of cancellation, nonrenewal or any material change or any similar notice concerning a policy of insurance only if the person has notice rights under the terms of the policy or any endorsement to the policy. The terms and conditions of the notice, including the required timing of the notice, are governed by the policy of insurance or endorsement and may not be altered by a certificate of insurance.

(h) Any certificate of insurance or any other document, record or correspondence prepared, issued or requested in violation of this section shall be null and void and of no force and effect.

(j) As used in this section:

(i) "Certificate" or "certificate of insurance" means any document or instrument, no matter how titled or described, which is prepared or issued as evidence of property or casualty insurance coverage. "Certificate" or "certificate of insurance" shall not include a policy of insurance, a certificate issued to a policyholder under a group master policy, an insurance binder, a policy endorsement, and automobile insurance identification card, or a certificate prepared or issued pursuant to any federal law, rule or regulation or any other law, rule or regulation of this state, in which the specific content and form of the certificate is enumerated therein;

(ii) "Certificate holder" means any person, other than a policyholder, who requests, obtains or possesses a certificate of insurance;

(iii) "Group master policy" means an insurance policy that provides coverage to eligible persons on a group basis through a group insurance program;

(iv) "Policyholder" means a person who has contracted with a property or casualty insurer for insurance coverage.

Section 2. This act is effective July 1, 2014.

(END)