

## CORRECTED COPY

HOUSE BILL NO. HB0029

Unclaimed life insurance benefits.

Sponsored by: Representative(s) Zwonitzer and Senator(s) Case

A BILL

for

1 AN ACT relating to insurance; imposing requirements on  
 2 providers of life insurance, annuity contracts and retained  
 3 asset accounts to confirm deaths of persons as specified;  
 4 providing penalties; modifying related provisions within the  
 5 Uniform Unclaimed Property Act; and providing for an  
 6 effective date.

7

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

9

10 **Section 1.** W.S. 26-16-505 is created to read:

11

12 **26-16-505. Unclaimed life insurance benefits.**

13

14 (a) An insurer shall perform a comparison of its  
 15 insureds' in force policies, lapsed policies and retained  
 16 asset accounts against a death master file on at least a

1 semi-annual basis by using the full death master file once  
2 and thereafter using the death master file update files for  
3 future comparisons in order to identify potential matches of  
4 its insureds.

5

6 (b) Not later than ninety (90) days after a death master  
7 file match an insurer shall:

8

9 (i) Complete and document a good faith effort to  
10 confirm the death of the insured or retained asset account  
11 holder against other available records and information; and

12

13 (ii) Determine whether benefits are due in  
14 accordance with the applicable policy. If benefits are due in  
15 accordance with the applicable policy the insurer shall  
16 complete and document good faith efforts to locate the  
17 beneficiary. The insurer shall also provide the appropriate  
18 claims forms or instructions to the beneficiary to make a  
19 claim including the need to provide an official death  
20 certificate, if applicable under the policy.

21

22 (c) With respect to group life insurance, an insurer  
23 shall confirm the possible death of an insured pursuant to

1 paragraph (b)(i) of this section when the insurer maintains  
2 at least the following information on those covered under a  
3 policy:

4

5 (i) Social security number or name and date of  
6 birth;

7

8 (ii) Beneficiary designation;

9

10 (iii) Coverage eligibility;

11

12 (iv) Benefit amount; and

13

14 (v) Premium payment status.

15

16 (d) Every insurer shall implement procedures to account  
17 for all of the following:

18

19 (i) Common nicknames, initials used in lieu of a  
20 first or middle name, use of a middle name, compound first  
21 and middle names and interchanged first and middle names;

22

1           (ii) Compound last names, maiden or married names  
2 and hyphens, blank spaces or apostrophes in last names;

3

4           (iii) Transposition of the month and date within  
5 a date of birth;

6

7           (iv) Incomplete social security numbers.

8

9           (e) To the extent permitted by law, an insurer may  
10 disclose minimum necessary personal information about the  
11 insured or beneficiary to a person whom the insurer reasonably  
12 believes may be able to assist the insurer in locating the  
13 beneficiary.

14

15           (f) An insurer or its service provider shall not charge  
16 any beneficiary or other authorized representative for any  
17 fees or costs associated with a death master file search or  
18 verification of a death master file match conducted pursuant  
19 to this section.

20

21           (g) Benefits due and owing from a policy or a retained  
22 asset account, plus any applicable accrued contractual  
23 interest, shall first be payable to the designated

1 beneficiary. If the beneficiary cannot be found, the insurer  
2 shall comply with the applicable provisions of the Uniform  
3 Unclaimed Property Act. Interest otherwise payable as  
4 required by law shall not be considered unclaimed property  
5 pursuant to W.S. 34-24-120(a).

6

7 (h) Once benefits and accrued contractual interest are  
8 presumed abandoned under W.S. 34-24-108, the insurer shall  
9 notify the state treasurer, as part of the report sent under  
10 W.S. 34-24-118, that:

11

12 (i) A beneficiary has not submitted a claim with  
13 the insurer; and

14

15 (ii) The insurer has complied with this section  
16 and has been unable, after good faith efforts documented by  
17 the insurer, to contact the beneficiary.

18

19 (j) Failure to meet any requirement of this section may  
20 constitute an unfair trade practice and is subject to the  
21 penalty provided in W.S. 26-1-107.

22

23 (k) As used in this section:

1

2 (i) "Death master file" means the United States  
3 social security administration's death master file or any  
4 other database or service that is at least as comprehensive  
5 as the United States social security administration's death  
6 master file for determining that a person has reportedly died;

7

8 (ii) "Death master file match" means a search of  
9 the death master file that results in a match of the social  
10 security number or the name and date of birth of an insured,  
11 annuity owner or retained asset account holder;

12

13 (iii) "Policy" means any policy or certificate of  
14 life insurance that provides a death benefit or any annuity  
15 contract, except that the term shall not include:

16

17 (A) Any policy or certificate of life  
18 insurance that provides a death benefit under an employee  
19 benefit plan that is:

20

21 (I) Subject to the Employee Retirement  
22 Income Security Act of 1974; or

23

1 (II) Part of a federal employee benefit  
2 program.

3

4 (B) Any policy or certificate of life  
5 insurance that is used to fund a prearranged funeral contract;

6

7 (C) Any policy or certificate of credit life  
8 or accidental death insurance;

9

10 (D) Any policy issued to a group master  
11 policyholder for which the insurer does not provide record  
12 keeping services; or

13

14 (E) An annuity used to fund an employment  
15 based retirement plan or program if the insurer:

16

17 (I) Does not perform the record keeping  
18 services; or

19

20 (II) Is not committed by terms of the  
21 annuity contract to pay death benefits to the beneficiaries  
22 of specific plan participants.

23

1           (iv) "Record keeping services" means services  
2 provided by an insurer for a group policy customer pursuant  
3 to an agreement under which the insurer is responsible for  
4 obtaining, maintaining and administering, in its own or its  
5 agent's systems, at least the following information about  
6 each individual insured under the group policy or a line of  
7 coverage thereunder:

8  
9           (A) Social security number or name and date  
10 of birth;

11  
12           (B) Beneficiary designation information;

13  
14           (C) Coverage eligibility;

15  
16           (D) Benefit amount; and

17  
18           (E) Premium payment status.  
19

20           (v) "Retained asset account" means any mechanism  
21 whereby the settlement of proceeds payable under a policy is  
22 accomplished by the insurer or an entity acting on behalf of  
23 the insurer depositing the proceeds into an account with check



1 or draft writing privileges, where those proceeds are  
2 retained by the insurer or its agent, pursuant to a  
3 supplementary contract not involving annuity benefits other  
4 than death benefits.

5

6 **Section 2.** W.S. 26-16-101, 34-24-118(b)(ii) and  
7 34-24-120(a) are amended to read:

8

9 **26-16-101. Scope and applicability of chapter.**

10

11 This chapter, except W.S. 26-16-118, ~~and~~ 26-16-120 ~~and~~  
12 ~~26-16-505~~, applies only to contracts of life insurance and  
13 annuities, other than reinsurance, group life insurance and  
14 group annuities.

15

16 **34-24-118. Report of abandoned property.**

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18 (b) The report shall be verified and shall include:

19

20 (ii) In the case of unclaimed funds of fifty  
21 dollars (\$50.00) or more held or owing under any insurance  
22 policy or annuity contract, the full name and last known  
23 address of the insured policy owner or annuitant and of the

1 beneficiary according to the records of the insurance company  
2 holding or owing the funds. The report shall also include any  
3 information required by W.S. 26-16-505(h);  
4

5 **34-24-120. Payment or delivery of abandoned property.**  
6

7 (a) At the time of the filing of the report required by  
8 W.S. 34-24-118 and with that report, the person holding  
9 property deemed abandoned and subject to custody as unclaimed  
10 property shall pay or deliver to the administrator all of the  
11 property shown on the report and remaining unclaimed by the  
12 apparent owner. Upon written request showing good cause, the  
13 administrator may postpone the payment or delivery upon such  
14 terms or conditions as the administrator deems necessary and  
15 appropriate. The property paid or delivered to the  
16 administrator shall include all interest, dividends,  
17 increments and accretions due, payable or distributable on  
18 the property on November 1 of the year in which the report is  
19 required, except that interest accrued on a policy as defined  
20 in W.S. 26-16-505(k)(iii) or a retained asset account as  
21 defined in W.S. 26-16-505(k)(v) shall not be considered  
22 unclaimed property. If payment or delivery is postponed, the  
23 property paid or delivered to the administrator shall include

1 all interest, dividends, increments and accretions due,  
2 payable or distributable on the day that the property is paid  
3 or delivered to the administrator.

4

5 **Section 3.** This act is effective July 1, 2019.

6

7

(END)