

ORIGINAL HOUSE  
BILL NO. HB0235

ENROLLED ACT NO. 56, HOUSE OF REPRESENTATIVES

SIXTY-FIFTH LEGISLATURE OF THE STATE OF WYOMING  
2020 BUDGET SESSION

AN ACT relating to insurance; modifying payments of claims and interest requirements on life insurance benefits as specified; and providing for an effective date.

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

**Section 1.** W.S. 26-15-124(a) and 26-16-112 are amended to read:

**26-15-124. Claim to be accepted or rejected; attorney's fee.**

(a) Claims for benefits under a life, accident or health insurance policy shall be rejected or accepted and paid by the insurer or its agent designated to receive the claims within forty-five (45) days after receipt of the proofs of loss and supporting evidence. Exceptions to the time of forty-five (45) days shall be made for accident and health insurance claims if there is any question as to the validity or the amount of the claim and the question is referred to the Wyoming state medical peer review committee for adjudication. Exceptions shall also be made as authorized by W.S. 26-16-112(a).

**26-16-112. Payment of claims.**

(a) If the benefits under the policy are payable because of the death of the insured, settlement shall be made upon receipt of proof of death and, at the insurer's option, surrender of the policy or proof of the interest of the claimant, or both. If an insurer shall specify a particular period prior to the expiration of which settlement shall be made, the period may not exceed the time requirements specified in W.S. 26-15-124. For any

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private placement policy, settlement may be made in cash or, if allowed under the policy, by distributing assets of the separate account to the claimant with the consent of the policyholder, as long as the fair market value of the assets are independently verified at the time of disbursement by the insurer. In any private placement policy, the obligation of the insurer to settle that portion of the policy attributable to separate account assets is subject to the liquidity of the assets and the insurer shall settle the portion of the policy as and when the assets can be, by their respective terms, either converted to cash, which may be later than the time requirements specified in W.S. 26-15-124, or otherwise dispersible by the insurer.

(b) Benefits shall be paid within the time requirements of W.S. 26-15-124 and shall include interest accrued from the date of death until date of payment. The interest rate shall be not less than the rate of interest payable on death proceeds left on deposit with the insurer. For any private placement policy, the interest shall be computed commencing the latter of sixty (60) days succeeding the date of death of the insured or the date proof of death has been received by the insurer in good order, until the date of payment. In any private placement policy, the obligation of the insurer to pay interest on that portion of the policy attributable to separate account assets may only be computed as and when the assets are, by their respective terms, either converted to cash or otherwise dispersible by the insurer.

(c) For purposes of this section, date of payment shall include the date of the postmark stamped on an envelope properly addressed and postage prepaid, containing the payment.

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(d) The provisions of this section requiring the payment of interest shall not apply to variable contracts which provide for insurance or annuity benefits which may vary according to the investment experience of any separate account or accounts maintained by the insurer as to such contract.

(e) As used in this chapter, "private placement policy" is a variable life insurance policy that is:

(i) Issued exclusively to a person who is an accredited investor or a qualified purchaser, as defined in the Securities Act of 1933 or the Investment Company Act of 1940 or in regulations promulgated under either statute; and

(ii) Offered for sale and sold in a transaction that is exempt from registration under the Securities Act of 1933.

**Section 2.** The provisions of this act shall apply to any life insurance policy delivered, issued for delivery or renewed in this state on or after July 1, 2020.

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**Section 3.** This act is effective July 1, 2020.

(END)

\_\_\_\_\_  
Speaker of the House

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Governor

TIME APPROVED: \_\_\_\_\_

DATE APPROVED: \_\_\_\_\_

I hereby certify that this act originated in the House.

\_\_\_\_\_  
Chief Clerk