

**S.56 – Comparison of Senate and House Bills**  
*Legislative Council – April 20, 2017*

<p align="center"><b>S.56 – as Passed the Senate</b></p> <p align="center"><i>An act relating to life insurance policies and the Vermont Uniform Securities Act</i></p>	<p align="center"><b>S.56 – As Passed the House</b></p> <p align="center"><i>An act relating to insurance and securities</i></p>
<p><b>Sec. 1</b> recodifies a provision of law inadvertently repealed when the “standard nonforfeiture law for life insurance” chapter was rewritten in 2015. It requires life insurers to reach out to “secondary addressees” before cancelling a senior’s life insurance policy for nonpayment of premium.</p>	<p>Same</p>
<p><b>Sec. 2</b> allows for enhanced penalties for violations of securities and insurance rules involving vulnerable adults.</p>	<p>Same</p>
<p><b>Secs. 3-5</b> removes the monetary cap for multiple violations of securities law and provide enhanced penalties for securities act violations involving vulnerable adults.</p>	<p>Same</p>
<p><b>Sec. 6</b> updates cross references to federal securities law.</p>	<p>Same</p>
<p><b>Sec. 7</b> repeals VT’s exemption from the federal Philanthropy Protection Act of 1995.</p>	<p>Same</p>
<p><b>Sec. 8</b> makes the act effective on passage.</p>	<p><b>Sec. 8</b> pertains to cooperative insurance companies. It amends the statutory requirements for a company’s bylaws. Specifically, it allows a company’s board of directors to choose officers who are not members of the board. It also allows nonresidents who are insured by a VT cooperative to hold office in the company.</p>
	<p><b>Secs. 9-15</b> [Deleted.]</p>
	<p><b>Sec. 16</b> reflects a proposal from the Department of Health concerning medical examiners. The section provides liability protection for Vermont medical examiners (chief, regional, and assistant medical examiners) hired by and working under the supervision of the Department of Health. This would ensure such persons are treated like other State employees. The State</p>

	would defend them if they are sued for actions that occurred within the scope of their duties and indemnify them if they are found liable.
	<b>Sec. 17</b> concerns portable electronics insurance and a customer's consent to receive notices and correspondence by electronic means. It amends existing law to specify that, by providing an email address to an insurer, the customer is deemed to consent to receive electronic correspondences, if the insurer provides notice of that consent to the customer within 30 days.
	<b>Secs. 18-22</b> require DFR to study various workers' comp issues such as: <ul style="list-style-type: none"> <li>• High-risk occupations and industries;</li> <li>• Seasonal and short-term policies;</li> <li>• A regional assigned risk pool that would include neighboring states; and</li> <li>• A DFR-administered assigned risk pool.</li> <li>• The purpose of each study is to reduce costs and increase the availability of affordable policies.</li> <li>• All reports due January 15, 2018.</li> </ul>
	<b>Secs. 23-24</b> [Deleted.]
	<b>Sec. 25</b> makes the act effective on July 1, 2017, and specifies that Sec. 17 (portable electronics insurance) applies to policies issued or renewed on or after the effective date.