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2022 Legislative and Regulatory Preview

January 20, 2022

Pennsylvania

Republicans hold majorities in both houses of the General Assembly, while Democrats hold the Governor's office and the Attorney General's office. Governor Wolf is term limited and will leave office at the end of 2022. Attorney General Josh Shapiro will be the Democratic nominee for Governor and there are currently more than thirteen Republicans vying for the Republican nomination. All of the House and one-half of the Senate seats are up for election in 2022 and while Republicans are expected to retain their majorities in both chambers, they could see a reduced majority at least one. On the regulatory side, the industry continues to enjoy a positive relationship with Commissioner Jessica Altman. Altman is very active at the NAIC on the Special Committee on Race and Insurance.

Priority Issues

Stacking Reform

- Senate Bill 676 would eliminate stacking and allow policyholders to purchase as much UM/UIM coverage as they choose. The bill would also increase financial responsibility limits from \$15,00/\$30,00/\$5,000 to \$25,000/\$50,000/\$10,000. The bill may be further amended to require UM/UIM coverage at the \$25,000/\$50,000/\$10,000 level. The bill is a top priority for our industry. The bill has advanced from the Senate Banking and Insurance Committee. It is hoped that the bill will continue to move, however, an accord with the trial bar will be necessary in order for the bill to further advance.

Reviver for Minor Sexual Abuse Claims

- Both houses have passed Senate Bill 951 to restart the constitutional amendment process, but a statutory reviver bill is also being pushed by advocates because they believe that it would get reviver provisions in place more quickly than the constitutional amendment process. The constitutional amendment legislation would need to be passed again by the General Assembly in 2023 and then submitted to the voters. At this time, it appears that the constitutional amendment will be the vehicle for the reviver.

Cybersecurity

- The Insurance Department would like to pursue the NAIC Cybersecurity Model this year and the industry has reached an agreement with the Department relative to language. It is expected that legislation will soon be introduced in the House and enacted in the first half of 2022.

Consumer Data Privacy Act

- The current draft of House Bill 2022 is troubling, but the industry is working with legislators on amendments to add the GLBA and HIPAA exemptions along with other necessary amendments.

District of Columbia

2022 is an election year in D.C. for seven of 13 Council seats as well as the mayor's office. Mayor Muriel Bowser is seeking a third term against four declared primary opponents, while a key industry

ally, Councilmember Kenyan McDuffie, is stepping down from the City Council to run for attorney general. The Department of Insurance, Securities and Banking (DISB) has created challenges for the industry in recent years, as evidenced by its extended COVID-19 nonpayment moratorium, attempts to restrict underwriting/rating variables, and delays in filing approvals. The industry focus will again be fighting restrictions against insurer use of risk-based underwriting and pricing.

Priority Issues

- Protecting Rating/Underwriting Practices
 - DISB Multiple Factor Ban - DISB is expected to expand past efforts against credit to a total ban on other factors as part of the agency's recent diversity workgroup recommendations. Such DISB-backed legislation, expected in 2022, would ban use of credit, education, occupation, gender, and marital status in personal lines.
 - Algorithm Anti-Discrimination - Secondly, a separate bill from the D.C. attorney general's office was introduced in December to target alleged broader "discrimination by algorithms." This approach would apply to all business use of algorithms that produce biased or discriminatory results, especially for "members of vulnerable communities." The industry will be joined by the broader business community and the consumer data industry in opposition.

Illinois

The 2022 session of the Illinois Legislature began on January 4 and is expected to extend until April 8, 2022. Democrats will maintain a 73-45 majority in the House and a 41-18 majority in the Senate. Governor Pritzker (D) is running for re-election in 2022 and all 177 seats in the two legislative chambers will also be up. Several state Supreme Court races are also likely to be contested. The court presently has a 4-3 Democrat majority. The insurance regulatory climate has generally been fair, and that has continued under the leadership of Director Dana Popish Severinghaus, who is beginning her second full year in the role.

Priority Issues

- Rebating Reform – The industry is advocating for legislation to permit insurers to provide loss control products and services without violating anti-rebating laws
- Third-Party Litigation Financing - The industry is advocating for legislation to regulate third party financing entities.
- OEM Auto Parts – The industry again expects to defend against onerous legislation that would mandate use of original equipment manufactured (OEM) automobile body parts. Additionally, industry trades are considering seeking legislation to proactively counter these efforts and preserve insurers' ability to use non-OEM parts.
- Credit Scoring – The industry anticipates having to defend against legislation that would prohibit automobile insurers' use of insurance scoring.
- Public Adjusters – The industry will again advocate for legislation to better regulate public adjusters and defend against pressure for increased compensation for public insurance adjusters.
- NAIC Data Security Model Law – The Department of Insurance has indicated that it will seek legislation to enact the NAIC Data Security Model Law.
- Uninsured Motorist Property Damage Coverage – Illinois law currently prohibits an auto policy from carrying both collision and Uninsured Motorist Property Damage (UMPD) coverage. The

Department of Insurance is seeking to repeal this statutory prohibition and allow consumers to elect UMPD coverage in addition to collision.

- Insurer Supplier Diversity – The Department of Insurance is planning to pursue legislation requiring insurers to report on suppliers’ diversity.
- Tort - The industry expects to defend against numerous pro-plaintiff/trial bar proposals again in 2022.
- Towing – The industry will look to build off continued positive discussions on towing reform and continue to pursue much-needed towing reforms.

Indiana

The Indiana General Assembly returned for its “short” session on January 4, 2022. The entire House and half the Senate will be up for election in November 2022. Republicans currently hold all the executive offices and have supermajorities in the Senate (39R-11D) and in the House (71R-29D). Governor Eric Holcomb (R) is starting the second year of his second term. COVID-19 vaccine mandates, a variety of social issues, and tax cuts are all set to be tackled during the session. On the regulatory side, Commissioner Amy Beard began her tenure in June 2021, and industry trades have reported a positive working relationship with the department overall.

Priority Issues

- Sexual Abuse Reviver - For the past several years, legislation was introduced to revive the statute of limitations for a civil cause of action against a person or entity whose negligent or intentional act or omission led to the sexual abuse of a child. The industry will be closely monitoring for the return of any similar legislation in 2022.
- Ambulatory Surgical Centers - Discussions have been ongoing for the last several years to add ambulatory surgical centers to the workers’ compensation fee schedule, a proposal supported by the industry. Negotiations continue and there could be movement on the issue in 2022 if a deal is reached.
- Public Adjusters – There have been discussions between the industry and Department of Insurance regarding issues surrounding public adjusters. The industry continues to look for opportunities to support proper regulation of public adjusters.

Kentucky

The Kentucky General Assembly convened its 2022 session on Tuesday, January 4th. Republicans hold strong majorities in the Senate and House, though trial lawyer legislators are prominent in both chambers. This year, all House seats and half of the Senate’s seats will be on the ballot in November. On the regulatory side, Commissioner Sharon Clark begins her third year as Commissioner under Gov. Beshear. Clark, who also served as DOI Commissioner from July 2008 to January 2016, is the longest tenured Commissioner in the department’s and fosters a positive regulatory environment.

Priority Issues

- COVID-19
 - Liability Protection - Early in the 2022 legislative session, legislation was passed and signed by the governor to approve, extend, and in some cases modify as stated, several of the governor’s executive orders until April 14, 2022. Of note, the industry-supported protections from COVID-19 liability claims afforded by 2021 SB 5 are among those provisions extended.

- Workers' Compensation Presumptions - Also among the orders extended by the above-mentioned legislation, Executive Order 2020-277, requiring the payment of workers' compensation TTD payments to employees removed from work by a physician due to occupational exposure to COVID-19, has been extended with the continued removal of the presumption that the removal of certain essential workers was due to occupational exposure to COVID-19.
- Use of Credit - The Department has circulated draft legislation seeking to prohibit the adverse consideration of the absence of credit history for the rating of personal insurance. The industry has proposed the NCOIL model language regarding the absence of credit and convened an initial conference call with the Department. Discussions and negotiations are expected to continue.
- Rebating Reform - Legislation based upon the NCOIL model is expected to be filed. Industry groups, the sponsor, and the Department of Insurance continue to work through the draft bill.
- Social Equity and Inclusion - Legislation has been introduced that would add sexual orientation or gender identity as a civil right protected condition or privilege from discrimination by any person in the business of insuring against hazards to housing accommodations.
- Distracted Driving - "Hands Free" legislation based upon the NCOIL model is expected to be filed. The insurance industry is working to build support for the legislation, including obtaining statewide polling data. The prospects are uncertain given prior resistance by some legislators.
- Peer to Peer Car Sharing - Legislation has been introduced that closely aligns with the NCOIL model bill.
- Workers' Compensation - Utilization Review/Medical Director - Legislation is expected that would nullify the Utilization Review Regulations adopted by the Department of Workers' Claims. After industry groups raised concerns about the regulation, the Administrative Regulation Review Subcommittee voted to find the regulation deficient. However, since the Department of Workers' Claims declined the Subcommittee's request to withdraw the regulations before adoption, the General Assembly is expected to nullify the regulations during the 2022 session.
- Cyber Security - The Department of Insurance has shared a draft of its Insurance Data Security Act legislation. The industry is seeking amendments to clarify applicability to disclosure of nonpublic information and the Act's exclusive applicability to data security standards.
- Data Privacy - Legislation has been introduced that would require entities collecting biometric identifiers (retina or iris scan, fingerprint, voice print or scan of hand or face geometry) to protect the confidentiality of the data and would provide for a private cause of action for violations.

Maryland

The Maryland General Assembly has veto-proof Democratic supermajorities. 2022 is an election year for all legislative seats and the governor's office, and popular Republican Gov. Larry Hogan is term limited. There are 8 Democrats and 3 Republicans currently vying for their party's nomination in the late June primary. On the regulatory side, Kathleen Birrane became Insurance Commissioner at the Maryland Insurance Administration (MIA) in 2020. She has a positive industry relationship and pro-competitive views. The Maryland General Assembly convened on January 12 for its 2022 regular session with the industry focus on the usual defensive issues as well as regulatory issues.

Priority Issues

- Personal Lines Risk-Based Underwriting and Pricing Threats
 - Personal Auto - The industry will again face increased scrutiny about its use of certain variables in private passenger auto as allegedly discriminatory. Potential bills to ban the credit and other factors are expected, while two bills have already been pre-filed: a ban on gender, and another to restrict territory and remove trade secret protections for pricing models.
 - Homeowners - A bill to prohibit homeowners carriers from cancelling/nonrenewing based on certain weather-related claims (losses less than deductible or no payout) is expected. The industry has successfully opposed this the past two years.
- Tort Defense
 - Enhanced UIM Coverage as Default Coverage - The trial bar's top priority this session is a bill to change the current default coverage for enhanced underinsured motorist (UIM) coverage from offset to enhanced coverage. The industry will be opposing this bill, although it could have traction on the House side.
 - Sexual Abuse Reviver - Although it has stalled the past few sessions, the bill to enact a two-year reviver period for childhood sexual abuse lawsuits will likely be reintroduced. The business community and the insurance industry has worked to educate lawmakers about the unintended consequences.
- Maryland Insurance Administration Bills - Among the bills the MIA is seeking are two the industry will be monitoring closely:
 - Claims Payment Enforcement Authority - MIA's bill regarding enforcement authority for the payment of claims. This bill was intended to deal with mental health claims payments, but the p/c industry raised concerns about giving the agency overreaching enforcement power in all claims situations. The bill stalled last session due in part to these concerns, and APCIA will continue its discussions with the MIA.
 - NAIC Data Security Model - The MIA will also be seeking to enact adoption of its version the NAIC Data Security model law in Maryland. The industry is concerned about the bill's deviations from the model..
- Legalization of Marijuana - The General Assembly is planning to pass legislation that would put the legalization of marijuana for recreational usage to a voter referendum in this fall's election, according to the leaders of both houses.

New York

Democrats hold every statewide office and veto proof majorities in both houses of the legislature. Progressives have targeted a number of sitting Democratic legislators for primary challenges in advance of the 2022 election, when every legislator in both houses is up for reelection. This political environment, and particularly the anti-business sentiment of many progressive legislators, along with the pressures associated with the approaching primary and general elections, will continue to pose challenges for the insurance industry and the business community in general.

Governor Hochul took over as Governor following the resignation of Governor Cuomo in August, 2021. She is seeking the Democratic nomination to run for Governor in the 2022 election. At this time, it is likely that she will be able to fend off challenges from her primary opponents and she will likely win both the Democratic nomination as well as a full term as Governor. Assuming she wins the primary, Hochul will run against Republican Challenger Lee Zeldon, but the Democratic enrollment advantage is so strong that, in the absence of unforeseen circumstances, Hochul will likely prevail. On

the regulatory side, Governor Hochul appointed Adrienne Harris superintendent of the Department of Financial Services (DFS). She is a former economic advisor for the Obama administration.

Priority Issues

2022 is the second year of the two year legislative session. Bills introduced in 2021 will carry over to 2022. There are over 20,000 bills filed in a two year session. Below are some of the priority bills that APCA plans to focus on in 2022.

- **Bad Faith**: As has been the case in recent years, the trial bar will likely again make the passage of very expansive bad faith legislation (both first and third party) a top legislative priority. The industry will counter with its Milliman study on similar bad faith legislation which estimated a potential annual premium impact of \$6.9 billion. This defensive effort will likely ramp up in the last month of session and, in recent years, has included intense traditional lobbying, grassroots, digital advertising, earned media and other tactics.
- **Wrongful Death**: Another trial bar priority would greatly expand permissible damages in wrongful death actions to include non-economic damages such as compensation for grief and anguish. A Milliman study on similar legislation estimates a potential annual premium impact in excess of \$2 billion. The insurance industry will continue to partner with lawsuit reform and health sector partners in opposition to this legislation.
- **Deceptive Acts and Practices**: Legislation to greatly expand New York's deceptive acts and practices statute has been under consideration in recent years and could be seriously considered again in 2022. The legislation is very broad and, if passed, would give NY the distinction of having the most expansive unfair trade practices law in the nation. The industry will work with our business and lawsuit reform allies in opposition to this legislation.
- **Prohibiting Lead Paint Exclusions in Rental Policies**: This legislation has passed the Assembly in recent years but has not passed the Senate. The current Senate sponsor (who was the previous Assembly sponsor) continues to apply pressure to try to advance the bill. The Senate Insurance Committee had scheduled a hearing on this issue in the fall of 2021, but it was indefinitely postponed due to witness illness.
- **Third Party Litigation Financing**: Advancing legislation to regulate litigation financing will be a top offensive priority for the insurance industry in 2022. Industry trades are working with the Lawsuit Reform Alliance of NY and will be working to build a broad-based coalition in support of legislation on this issue.
- **Online Auto Insurance Verification**: New York's current insurance verification system (Insurance Information Enforcement System - IIES) was put in place over twenty years ago and is antiquated by modern standards. The insurance industry will work with our industry partners and other allies to approach the Governor's office and the Department of Motor Vehicles to encourage them to support modernization efforts.

North Carolina

North Carolina is a politically split state with a Democratic governor and a Republican legislature. While the GOP lost its veto-proof supermajorities after the 2018 election, the legislative environment has been largely favorable for insurers and business. On the regulatory side, elected Commissioner Mike Causey is in the middle of his second term leading the Department of Insurance (DOI). The agency has maintained its good working relationship with the industry and has been supportive regarding pandemic-related and other key issues. North Carolina's General Assembly will reconvene in May for the 2022 "short session" portion of its biennial legislative cycle, where only a limited pool of 2021 bills will be eligible.

Priority Issues

- Tort Issues - The industry will continue to work alongside the business community in playing defense against last year's trial bar attacks.
 - "Billed versus Paid" Tort Reform - The industry focus will be on keeping two trial lawyer bills from 2021 at bay that would weaken beneficial tort reforms from a decade ago that provided for strong rules of evidence regarding medical billing abuses and fraud. These adverse bills would allow plaintiffs to avoid accounting for actual or already paid billing amounts.
 - Comparative Fault - The trial bar dusted off an old issue with a bill to repeal the state's longstanding doctrine of contributory negligence. The industry successfully stopped this in 2021 by educating newer lawmakers about this topic and will remain vigilant this year.
 - Third-Party Litigation Financing - On the proactive side, the industry and its business allies will continue to push last year's bill to establish regulatory requirements for third-party lenders that finance lawsuit abuse.
- Roofing Contractor Anti-Fraud Legislation - The industry, led by the state trade, will continue its long-term efforts to enact legislation to help prevent "storm chaser" roofing abuses. Last year, the bill's Senate sponsor, an ERIE agent, pushed for a full hearing, but discussions stalled over misplaced concerns about small business impact. ERIE's trades are looking to advance this during the short session as possible.
- Distracted Driving - The industry, led by the independent agents, has continued its efforts to enact anti-distracted driving legislation modeled after successful laws in Virginia and Georgia. Despite positive public relations campaigns by our trades and the Department of Insurance, the bill did not move in the Senate. ERIE's trades, as well as the agents' association, are trying to keep this issue on the radar during 2022.
- Peer-to-Peer Car Sharing - The state DMV had begun preliminary discussions about regulating the practice of peer-to-peer car sharing, leading to a bill introduction in 2021. ERIE's trades will continue to monitor the legislation to defend industry interests in terms of preserving proper underwriting and claims-handling practices.

Ohio

The second year of the 134th Ohio General Assembly will begin in mid-January with a focus on several carryover issues important to the insurance industry. The 2022 election includes a host of statewide races on the ballot, including the governor's race where incumbent Republican Mike DeWine is positioned for re-election. In addition to that race, there are several key Ohio Supreme Court races that will shape the balance of the court. From a regulatory standpoint, Commissioner Judi French was appointed by Gov. DeWine to serve as Director of the Ohio Department of Insurance on February 8, 2021. The industry's strong working relationship with the Department has continued under French.

Priority Issues

- Third-Party Litigation Financing – Industry-supported legislation is under consideration that would require a company, engaged in the business of non-recourse civil litigation, to register with the state and to obtain a corporate surety bond. The bill also limits the fees, interest, and duration of the contract, requires the consumer to notify the court and the opposing party of the contract, and adds several new consumer protections relating to these transactions. The industry continues to work with the business community and civil justice allies to advocate for the enactment of this bill.

- Asbestos Over-Naming - Industry-supported legislation to tackle the issue of over-naming in asbestos lawsuits was introduced in late 2021. The bill seeks to rein in the practice of over-naming defendants in asbestos suits by ensuring that the right defendants are being sued up front by requiring a plaintiff to file a sworn statement specifying the evidentiary basis for each claim against each defendant along with supporting documentation.
- Consumer Protection from Storm Scammers – Industry-priority storm scammer legislation continues to be considered that would prevent assignment of benefits to roofing contractors and prevent a roofer from acting as an adjuster. Concerns with a provision in the bill regarding registration of contractors have been addressed with the removal of that language. The industry is hopeful the bill will continue positive movement forward and reach enactment this year.
- Data Privacy - Data privacy legislation was introduced in 2021 that mirrors the measure passed in Virginia that includes language that exempts insurers, independent agents, and others from additional regulation beyond the NAIC Model Act language that exists in the current Ohio statute. The bill has been the subject of numerous committee hearings and a substitute bill which, along with the original version, contains express exemptions for property casualty insurers, agents, NICB, and rating agencies.
- Distracted Driving - A bill that would make the use of an electronic handheld device while driving a primary offense was introduced in the House in 2021. The industry continues to work with lawmakers, safety advocates, and other stakeholders to advocate for the bill's passage.

Tennessee

The second session year of Tennessee's 112th General Assembly convened on January 11. Tennessee has a Republican governor and a Republican-controlled supermajority Senate (27R-6D) and House (73R-26D). The House and half the Senate will be up for election in November 2022. There will be no change in party control as Republicans will remain firmly in control of the Legislature. Governor Bill Lee (R) has announced his intention to run for re-election and will also be on the ballot in 2022. From limited public-polling, Lee's popularity has remained steady and to date no real challenger has emerged to primary Lee. The regulatory climate in Tennessee has generally been viewed as positive.

Priority Issues

- Data Privacy - Discussions began in 2021 regarding a California-style privacy bill. The industry strongly opposes the inclusion of any private right of action and has been working with the interim study committee on this issue. The industry will continue to oppose private right of action language and look to favorably amend any proposal to more narrowly define "consumer" and include an entity based GLBA exemption, similar to what was included in the Virginia and Colorado laws.
- Auto Property Damage Limits - Legislation has been introduced in the last several years to increase from \$15,000 to \$25,000 the minimum amount of insurance coverage for property damage in any one accident to qualify as proof of financial security under the financial responsibility law.
- Tornadoes/Flash Flooding - Tennessee was hit hard by numerous storms over the course of 2021. The industry will be on alert for any legislation pertaining to storm damage.
- COVID-19 State Protocols - There is considerable interest from the legislature to fix the COVID-19 protocol law passed in the fall of 2021 which limited the authority schools, health agencies, and businesses have over COVID-19 restrictions.

Virginia

The November 2021 election brought balance back to the Virginia General Assembly and state government, as the GOP won back the House and three statewide executive branch seats, including that of newly inaugurated Gov. Glenn Youngkin. Divided state government should mean an improved political environment for the business community and insurance industry after the unprecedented threats from the trial bar of the past two years. On the regulatory side, Insurance Commissioner Scott White took office in early 2018, after nearly two decades in various roles at the State Corporation Commission, which houses the Bureau of Insurance (BOI), and has maintained the agency's balanced and open approach with the industry.

Priority Issues

- Tort Issues - The change in House control has caused the trial bar to pull support for the UM/UIM bad faith bill and the UIM offset bill that the industry defeated in 2021. Among other anticipated threats to the balance of the state's tort system are the following:
 - GDC Statement of Summary - The bill would remove the submission of billing records and substitute a statement of summary changes in General District Court. The industry has concerns this could make it more difficult to evaluate the charges or court treatment.
 - Class Action Bill - The bill to bring state-level class actions has been reintroduced and will be opposed by the broader business community as well as insurers.
- Towing Reform - The insurance industry has been working with the state trucking association and the attorney general's office since the end of last session to get comprehensive towing reform bill drafted and introduced. The proposal could end up being scaled back given a newly elected AG, legislators' desire to study the issue further, and strong opposition from the towers.
- BOI Public Adjuster Bill - The Bureau of Insurance is tightening up the statute on prohibited public adjuster conduct, following similar legislation in 2018. The additional language will address unethical practices like having a financial interest in repair work and soliciting/accepting renumeration outside of the adjuster contract.
- Workers' Compensation Issues - The trial bar is focusing on a few workers' compensation issues, including two that could have a significant impact on industry exposures:
 - Cost-of-Living Supplements Increase - This proposal would drastically expand the availability of cost-of-living supplements to any claimant or his dependents receiving disability benefits.
 - Repetitive Motion/Hearing Loss - This bill would classify carpal tunnel and hearing loss as occupational diseases and remove the "clear and convincing" standard currently applied to those injuries as ordinary life diseases.

West Virginia

Republicans have supermajorities in both legislative houses and the governor's mansion. The environment has helped the industry achieve many pro-business and insurance changes in recent years, including tort reforms leading to the state's first-ever complete absence from the U.S. Chamber's "Judicial Hellhole" list last year. 2022 will be an election year for the entire House and half the Senate, while Gov. Jim Justice enters the second year of his final four-year term. On the regulatory side, the Offices of the Insurance Commissioner (OIC) is once again led by Commissioner Allan McVey as of September 2021 following the resignation of Jim Dodrill to return to the insurance

industry. McVey is a familiar face, serving as Insurance Commissioner from April 2017 until January 2019, and as an industry producer in Charleston for decades.

Priority Issues

- Tort Reform
 - Phantom Damages & Collateral Source Rule - ERIE's trades are again seeking legislation that bases damages awards on the amount actually paid, not damages based on the "sticker price" of medical expenses, or without regard to other sources of payments. The goal remains to fix an adverse 2014 state Supreme Court case. This bill has been stymied in past sessions because of questions raised by a veteran committee chair.
 - Restatement & Secondary Source Bill - ERIE's trades are supporting legislation to codify that restatements of the law and other legal treatises are not controlling authority in West Virginia. This is intended to repudiate the American Law Institute's (ALI's) recent restatement threatening longstanding industry litigation practices.
 - Worker's Compensation Deliberate Intent Reform - Reform legislation is potentially expected from the business community to either completely remove the ability to file a deliberate intent civil action or to raise the current permanent partial disability threshold, making it more difficult to pursue such a civil action. Even in the current environment, this will be challenge.
- Distracted Driving - ERIE's trades are supporting legislation based on a national model that strengthens distracted driving laws, which will make the state's roads safer by reducing state's highway fatalities and preventing auto crashes. The West Virginia Insurance Federation has secured the support of a strong House industry ally on this bill, but there is work to be done given the more libertarian views among some legislators in the state.

Wisconsin

The second year of the 2021-22 Wisconsin legislative session is underway with a focus on several carryover issues important to the insurance industry that continue to move through the legislative process. 2022 is a gubernatorial election year with Democratic incumbent Governor Evers seeking re-election against a TBD Republican challenger. On the regulatory side, former Deputy Insurance Commissioner Nathan Houdek continues to serve as interim commissioner following Commissioner Afable's departure in December. The industry expects its positive working relationship with the Department to continue under Houdek.

Key Issues

- Workers' Compensation – Legislation has been introduced to expand the PTSD Workers' Compensation Presumption for first responders and add volunteer firefighters and EMS personnel not directly affiliated with a fire department to the list of eligible recipients.
- Employer Liability Under Workers' Compensation - Legislation is being considered that provides that, for the purposes of workers' compensation, an injury caused to an employee by a vaccine against the SARS-CoV-2 coronavirus that the employee was required by or coerced by his or her employer to receive is presumed to be caused by the individual's employment. The presumption would require a diagnosis and could be rebutted by specific evidence that the injury was caused outside of employment.
- Data Privacy and Security – While consumer data privacy and security safeguard legislation was enacted last year that exempts the insurance industry from additional regulation, the industry anticipates possible legislation this year geared at implementing a CCPA-like model

on data privacy. The industry continues to outline concerns with such legislation and highlight the key principles and considerations of what data security measures should look like.

- Credit for Reinsurance -The industry is pushing for the adoption of the OCI's rule reflecting the NAIC's adopted revisions to its Credit for Reinsurance Model Law. This will ensure that Wisconsin's reinsurance collateral laws will comply with the stipulations of the covered agreement between the United States and the European Union and will allow the state to maintain its NAIC accreditation and avoid preemption of state law by the covered agreement.
- Peer-to-Peer Car Sharing - Industry-supported legislation that follows the NCOIL model language on peer-to-peer car sharing programs has been introduced in the Assembly and the Senate. The legislation generally requires that peer-to-peer motor vehicle sharing programs assume liability, as specified under the bill, for the owners of shared vehicles and sets certain other requirements on these programs.