

State Corporation Commission

2022 Fiscal Impact Statement

1. Bill Number: HB82

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Kilgore

3. Committee: Committee Referral Pending

4. Title: Insurance holding company systems; group capital calculation and liquidity stress test.

5. Summary: Requires that certain insurers that are members of an insurance holding company system file a group capital calculation in accordance with the National Association of Insurance Commissioners (NAIC) Group Capital Calculation Instructions and a liquidity stress test in accordance with the NAIC Liquidity Stress Test Framework. The bill provides exceptions to such reporting requirements and contains various provisions regarding the confidentiality of information contained in such reports. The bill authorizes the State Corporation Commission to require a depositor bond when an insurer that is a member of an insurance holding company system is in a hazardous financial condition or a condition that would be grounds for the supervision, conservation, or delinquency proceeding.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No fiscal impact on the State Corporation Commission

8. Fiscal Implications: None for the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: No

11. Other Comments: The patron introduced House Bill 82 at the request of the State Corporation Commission. The bill gives the Bureau of Insurance several additional tools to monitor the financial solvency of insurance companies or groups of companies that do business outside of the U.S.

Date: 01/12/22/V. Tompkins