

HB

280

HB 280 - Holding Companies

Division of Insurance
March 1, 1991

The Division of Insurance currently has statutes requiring registration and reporting of information by insurance companies who are a member of an insurance holding company system. An insurance holding company system is a group of two or more affiliated companies, one or more of which is an insurance company. HB 280 adopts specific provisions that are part of model laws adopted by National Association of Insurance Commissioners (NAIC) and included in the accreditation standards which were not present in our current law.

The bill:

- sets out what kinds of companies an insurance company may own as a subsidiary and gives other requirements for subsidiaries;
 - provides criteria for evaluating the acquisition of an insurer by another insurer and the effects on market concentration of the sale;
 - adds more standards which must be met for transactions between affiliates;
 - clarifies the definition of an extraordinary dividend;
- and
- allows recovery on transactions from affiliated persons when an insurer is in liquidation or rehabilitation.

The division needs this legislation to meet accreditation standards of the NAIC. This bill adds accreditation requirements that were not included in prior statutes or were subsequently adopted by the NAIC.

FISCAL NOTE

No. 1

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Version: CSHB 280(L&C)
(H) Publish Date: 5/9/91

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act relating to regulation of insurance holding companies BRU: Insurance
 Sponsor: House Labor & Commerce Component: Operations
 Requestor: _____ COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCFLLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

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 Division: Insurance Date: 4/25/91
 Approved by Commissioner: Glenn A. Olds
 Agency: Department of Commerce & Economic Development Date: 4-25-91

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).