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HB 281 - Examination Bill

Division of Insurance
March 1, 1991

The Division of Insurance is required to conduct periodic examinations of all licensed insurance companies and has the authority to examine those holding any license from the division. HB 281 will adopt current model legislation on examinations adopted by National Association of Insurance Commissioners (NAIC) and included in the NAIC's accreditation standards.

The bill:

- adds criteria that may be used in determining what examination need to be performed;
- adds procedures for conducting the examination and adoption of the examination reports by the director;
- provides that after December 31, 1993, the director may only accept examination reports prepared by accredited states in lieu of the division conducting all company exams; and
- provides that insurance company accounting records must be kept in accordance with manuals adopted by the NAIC.

The division needs this legislation to meet the NAIC accreditation standards and to more clearly provide procedures for conducting examinations.

FISCAL NOTE

No. 1

Bill Version: CSHB 281(L&C)

(H) Publish Date: 5/9/91

STATE OF ALASKA
1991 LEGISLATIVE SESSION

Revision Date: _____ Department Affected: Commerce & Economic Dev.
 Title: An Act relating to examination of BRU: Insurance
insurers, agents, brokers, adjusters, and Component: Operations
solicitors
 Sponsor: House Labor & Commerce
 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						
MISCELLANEOUS						
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.)

Prepared By: Don Koch, Chief of Market Surveillance Phone: 465-2572
 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).