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Division of Insurance  
HB 283 - Reinsurance Intermediary March 1, 1991

The Division of Insurance is committed to obtaining accreditation from the NAIC signifying that we have met the minimum standards of regulation as determined by NAIC. HB 283 will adopt current model legislation on licensing reinsurance intermediaries adopted by the National Association of Insurance Commissioners (NAIC) and included in the accreditation standards.

This bill will add two new categories of licensing to be administered by the Division. Those categories are reinsurance intermediary broker and reinsurance intermediary manager. A reinsurance intermediary broker is a person who is working for an insurance company to plan a program of reinsurance (placing part or all of an insurance risk written by one insurance company with another company) and negotiate those reinsurance contracts. A reinsurance intermediary manager is a person who, on behalf of an insurance company, negotiates and binds contracts for assuming reinsurance business from other insurance companies. The bill:

- sets the requirements for licensure;
- requires that contracts with insurance companies and the reinsurance intermediary be in place;
- requires that the reinsurance intermediary maintain records for transactions;
- and that insurance companies receive periodic financial information on the reinsurance intermediary.

The Division needs this legislation to meet the NAIC accreditation standards and to put in place a mechanism for regulating a person in the insurance industry that can have very significant affect on an insurance company's operations.

No. 1  
Bill Version: CSHB 283(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 brokers and BRU: Insurance  
managers who act as reinsurance inter-  
mediaries Component: Operations  
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     |
|                   |       |       |       |       |       |       |
| REVENUE           | 0     | 0     | 0     | 0     | 0     | 0     |

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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Approved by Commissioner: Glenn A. Olds  
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