

HB1091_L.004

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

HB20-1091 be amended as follows:

1 Amend printed bill, page 10, lines 26 and 27, strike "THE COMMISSIONER
2 MAY USE INDEPENDENT EXPERTS AT THE DISCRETION OF THE
3 COMMISSIONER."

4 Page 11, after line 2 insert:

5 "(f) THE COMMISSIONER SHALL SELECT AND RETAIN AN
6 INDEPENDENT EXPERT WHO SHALL REVIEW THE PLAN OF DIVISION AND
7 ISSUE A REPORT TO THE COMMISSIONER, WHICH REPORT ADDRESSES THE
8 FOLLOWING:

9 (I) THE BUSINESS PURPOSES OF THE PROPOSED DIVISION;

10 (II) CAPITAL ADEQUACY AND RISK-BASED CAPITAL, INCLUDING
11 CONSIDERATION OF THE EFFECTS OF ASSET QUALITY, NONADMITTED
12 ASSETS, AND ACTUARIAL STRESSES TO RESERVE ASSUMPTIONS;

13 (III) CASH FLOW AND RESERVE ADEQUACY TESTING, INCLUDING
14 CONSIDERATION OF THE EFFECTS OF DIVERSIFICATION ON POLICY
15 LIABILITIES;

16 (IV) BUSINESS PLANS;

17 (V) THE IMPACT, IF ANY, OF CONCENTRATION OF LINES OF
18 BUSINESS FOLLOWING THE PROPOSED DIVISION; AND

19 (VI) MANAGEMENT'S COMPETENCE, EXPERIENCE, AND
20 INTEGRITY."

21 Reletter succeeding paragraphs accordingly.

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