HOUSE BILL NO. HB0005

Insurance-risk based capital revisions.

Sponsored by: Joint Corporations, Elections and Political Subdivisions Interim Committee

A BILL

for

AN ACT relating to insurance; amending events triggering a company action level event under risk based capital requirements; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 26-48-101(a)(vi) and 26-48-103(a)(i)(A), (B) and by creating a new subparagraph (C) are amended to read:

ARTICLE 1

RISK BASED CAPITAL FOR INSURERS

26-48-101. Definitions.

(a) As used in this article:

(vi) "Negative trend" means with respect to a life or disability insurer a negative trend over a period of time, as determined in accordance with the "trend test calculation" included in the life RBC instructions;

26-48-103. Company action level event.

(a) "Company action level event" means any of the following events:

(i) The filing of an RBC report by an insurer which indicates that:

(A) The insurer's total adjusted capital is greater than or equal to its regulatory action level RBC but less than its company action level RBC; ~~or~~

(B) If a life or disability insurer, the insurer has total adjusted capital which is greater than or equal to its company action level RBC but less than the product of authorized control level RBC and two and one-half (2 1/2), and has a negative trend;~~.~~ or

(C) If a property and casualty insurer, the insurer has total adjusted capital which is greater than or equal to its company action level RBC but less than three (3) times its authorized control level RBC and triggers the trend test in accordance with the trend test calculation included in the property and casualty RBC instructions.

Section 2. This act is effective July 1, 2010.

(END)