

## HOUSE BILL NO. HB0016

Internationally active insurance groups.

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

A BILL

for

1 AN ACT relating to insurance; providing for supervision of  
2 internationally active insurance groups; providing duties and  
3 responsibilities; providing definitions; conforming  
4 provisions; and providing for an effective date.

5

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

7

8 **Section 1.** W.S. 26-44-119 is created to read:

9

10 **26-44-119. Group wide supervision of internationally**  
11 **active insurance groups.**

12

13 (a) The commissioner is authorized to act as the group  
14 wide supervisor for any internationally active insurance  
15 group in accordance with this section. However, the

1 commissioner may acknowledge a regulatory official from  
2 another jurisdiction as the group wide supervisor for an  
3 internationally active insurance group where the  
4 internationally active insurance group:

5

6 (i) Does not have substantial insurance operations  
7 in the United States;

8

9 (ii) Has substantial insurance operations in the  
10 United States, but not in Wyoming; or

11

12 (iii) Has substantial insurance operations in the  
13 United States and Wyoming, but the commissioner has  
14 determined pursuant to the factors set forth in subsections  
15 (c) and (j) of this section that the other regulatory official  
16 is the appropriate group wide supervisor.

17

18 (b) An insurance holding company system that is not an  
19 internationally active insurance group may request that the  
20 commissioner make a determination or acknowledgement as to a  
21 group wide supervisor pursuant to this section.

22

1           (c) In cooperation with other state, federal and  
2 international regulatory agencies, the commissioner shall  
3 identify one (1) group wide supervisor for an internationally  
4 active insurance group. The commissioner may determine that  
5 the commissioner is the appropriate group wide supervisor for  
6 an internationally active insurance group that conducts  
7 substantial insurance operations concentrated in Wyoming.  
8 However, the commissioner may acknowledge that a regulatory  
9 official from another jurisdiction is the appropriate group  
10 wide supervisor for the internationally active insurance  
11 group. The commissioner shall consider the following factors  
12 when making a determination or acknowledgment:

13

14           (i) The place of domicile of the insurers within  
15 the internationally active insurance group that hold the  
16 largest share of the group's written premiums, assets or  
17 liabilities;

18

19           (ii) The place of domicile of the top tiered  
20 insurer in the insurance holding company system of the  
21 internationally active insurance group;

22

1           (iii) The location of the executive offices or  
2 largest operational offices of the internationally active  
3 insurance group;

4  
5           (iv) Whether another regulatory official seeks to  
6 act as the group wide supervisor under a regulatory system  
7 the commissioner determines:

8  
9           (A) To be substantially similar to the system  
10 of regulation provided under the laws of Wyoming; or

11  
12           (B) Sufficiently provides group wide  
13 supervision, enterprise risk analysis and cooperation with  
14 other regulatory officials.

15  
16           (v) Whether another regulatory official provides  
17 the commissioner with reasonably reciprocal recognition and  
18 cooperation.

19  
20           (d) If the commissioner is identified under this  
21 section as the group wide supervisor, the commissioner may  
22 determine that it is appropriate to acknowledge another  
23 supervisor to serve as the group wide supervisor. The

1 acknowledgment of the group wide supervisor shall be made  
2 after consideration of the factors listed in paragraphs  
3 (c)(i) through (v) of this section and shall be made in  
4 cooperation with and subject to the acknowledgment of other  
5 regulatory officials involved with supervision of members of  
6 the internationally active insurance group and in  
7 consultation with the internationally active insurance group.

8

9 (e) Notwithstanding any other provision of law, when a  
10 regulatory official, other than the commissioner, is acting  
11 as the group wide supervisor of an internationally active  
12 insurance group, the commissioner shall acknowledge that  
13 regulatory official as the group wide supervisor. However,  
14 the commissioner shall make a determination or  
15 acknowledgement under subsection (c) or (d) of this section  
16 as to the appropriate group wide supervisor for an  
17 internationally active insurance group if a material change  
18 in the internationally active insurance group results in  
19 either of the following:

20

21 (i) The internationally active insurance group's  
22 insurers domiciled in Wyoming holding the largest share of  
23 the group's premiums, assets or liabilities;

1

2 (ii) Wyoming being the place of domicile of the  
3 top tiered insurer in the internationally active insurance  
4 group's insurance holding company system.

5

6 (f) Pursuant to W.S. 26-44-109, the commissioner may  
7 collect from any insurer registered under W.S. 26-44-104 all  
8 information necessary to determine whether the commissioner  
9 may act as the group wide supervisor of an internationally  
10 active insurance group or if the commissioner may acknowledge  
11 another regulatory official to act as the group wide  
12 supervisor. Prior to issuing a determination that an  
13 internationally active insurance group is subject to group  
14 wide supervision by the commissioner, the commissioner shall  
15 notify the insurer registered pursuant to W.S. 26-44-104 and  
16 the ultimate controlling person within the internationally  
17 active insurance group. The internationally active insurance  
18 group shall have not less than thirty (30) days from the date  
19 of notification to provide the commissioner with additional  
20 information pertinent to the pending determination.

21

22 (g) The commissioner shall publish on the department's  
23 website the identity of each internationally active insurance

1 group that the commissioner has determined is subject to group  
2 wide supervision by the commissioner.

3

4 (h) If the commissioner is the group wide supervisor  
5 for an internationally active insurance group, the  
6 commissioner may do any of the following:

7

8 (i) Assess the enterprise risks within the  
9 internationally active insurance group to ensure that:

10

11 (A) The material financial condition and  
12 liquidity risks to the members of the internationally active  
13 insurance group that are engaged in the business of insurance  
14 are identified by management; and

15

16 (B) Reasonable and effective mitigation  
17 measures are in place to address the identified enterprise  
18 risks.

19

20 (ii) Request from any member of an internationally  
21 active insurance group subject to the commissioner's  
22 supervision information necessary and appropriate to assess  
23 enterprise risk including information about the members of

1 the internationally active insurance group regarding any of  
2 the following:

3

4 (A) Governance, risk assessment and  
5 management;

6

7 (B) Capital adequacy; and

8

9 (C) Material intercompany transactions.

10

11 (iii) Coordinate and, through the authority of the  
12 regulatory officials of the jurisdictions where members of  
13 the internationally active insurance group are domiciled,  
14 compel development and implementation of reasonable measures  
15 designed to ensure that the internationally active insurance  
16 group is able to timely recognize and mitigate enterprise  
17 risks to members of the internationally active insurance  
18 group that are engaged in the business of insurance;

19

20 (iv) Subject to the confidentiality provisions of  
21 W.S. 26-44-110, communicate with other state, federal and  
22 international regulatory agencies for members within the  
23 internationally active insurance group and share relevant



1 information through supervisory colleges as set forth in W.S.  
2 26-44-118 or otherwise;

3

4 (v) Enter into agreements with or obtain  
5 documentation from any insurer registered under W.S.  
6 26-44-104, any member of the internationally active insurance  
7 group or any other state, federal or international regulatory  
8 agency on behalf of members of the internationally active  
9 insurance group that provide the basis for or otherwise  
10 clarify the commissioner's role as group wide supervisor,  
11 including provisions for resolving disputes with other  
12 regulatory officials. The agreements or documentation shall  
13 not serve as evidence in any proceeding that any insurer or  
14 person within an insurance holding company system not  
15 domiciled or incorporated in Wyoming is doing business in  
16 Wyoming or is otherwise subject to the jurisdiction of the  
17 state of Wyoming;

18

19 (vi) Conduct any other group wide supervision  
20 activities consistent with this section as deemed necessary  
21 by the commissioner.

22

1           (j) If the commissioner acknowledges that another  
2 regulatory official from a jurisdiction that is not  
3 accredited by the NAIC is the group wide supervisor of an  
4 internationally active insurance group, the commissioner may  
5 reasonably cooperate through a supervisory college or  
6 otherwise with group wide supervision undertaken by the group  
7 wide supervisor, provided that:

8

9           (i) The commissioner's cooperation complies with  
10 the laws of Wyoming; and

11

12           (ii) The regulatory official acknowledged as the  
13 group wide supervisor also recognizes and cooperates with the  
14 commissioner's activities as a group wide supervisor for  
15 other internationally active insurance groups as applicable.  
16 Where the recognition and cooperation is not reasonably  
17 reciprocal, the commissioner may refuse recognition and  
18 cooperation.

19

20           (k) The commissioner may enter into agreements with or  
21 obtain documentation from any insurer registered under W.S.  
22 26-44-104, any affiliate of the insurer or any other state,  
23 federal or international regulatory agencies for members of

1 the internationally active insurance group that provide the  
2 basis for or otherwise clarify a regulatory official's role  
3 as group wide supervisor.

4

5 (m) A registered insurer subject to this section shall  
6 be liable for and shall pay the reasonable expenses of the  
7 commissioner's participation in the administration of this  
8 section, including the costs to engage attorneys, actuaries  
9 or other professionals and all reasonable travel costs.

10

11 **Section 2.** W.S. 26-44-101(a) by creating new paragraphs  
12 (xii) and (xiii) and by amending and renumbering (xii) as  
13 (xiv) and 26-44-110(a) are amended to read:

14

15 **26-44-101. Definitions.**

16

17 (a) As used in this act:

18

19 (xii) "Group wide supervisor" means the regulatory  
20 official authorized to conduct and coordinate group wide  
21 supervision activities who is determined or acknowledged by  
22 the commissioner to have sufficient significant contacts with

1 the internationally active insurance group under W.S.  
2 26-44-119;

3  
4 (xiii) "Internationally active insurance group"  
5 means an insurance holding company system that:

6  
7 (A) Includes an insurer registered under W.S.  
8 26-44-104; and

9  
10 (B) Meets all of the following criteria:

11  
12 (I) Writes premiums in at least three  
13 (3) countries;

14  
15 (II) The percentage of its gross  
16 premiums written outside of the United States is at least ten  
17 percent (10%) of its total gross written premiums;

18  
19 (III) Based on a three (3) year rolling  
20 average, its total assets are at least fifty billion dollars  
21 (\$50,000,000,000.00) or its total gross written premiums are  
22 at least ten billion dollars (\$10,000,000,000.00).

23

1           ~~(xii)~~(xiv) "This act" means W.S. 26-44-101 through  
2 ~~26-44-118~~26-44-119.

3

4           **26-44-110. Confidential treatment.**

5

6           (a) All information, documents and copies of the  
7 documents and information obtained by or disclosed to the  
8 commissioner or any other person in the course of an  
9 examination made pursuant to W.S. 26-44-109 and all  
10 information reported pursuant to W.S. 26-44-103(b)(xii) and  
11 (xiii), ~~and~~ 26-44-104 through 26-44-108 and 26-44-119 shall  
12 be confidential, shall not be subject to subpoena and shall  
13 not be disclosed by the commissioner, the National  
14 Association of Insurance Commissioners, or any person, except  
15 as authorized by and in accordance with the provisions of  
16 W.S. 26-2-113(d), without the prior written consent of the  
17 insurer to which the information pertains. The commissioner,  
18 after giving the insurer and its affiliates notice and  
19 opportunity to be heard, may determine that the interest of  
20 policyholders, shareholders or the public will be served by  
21 the publication of the information, in which event he may  
22 publish all or any part of the information as he deems  
23 appropriate.

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2       **Section 3.** This act is effective July 1, 2019.

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4

(END)