

House Bill 74

By: Representatives Taylor of the 173rd, Smith of the 134th, Watson of the 172nd, Meadows of the 5th, and Williamson of the 115th

A BILL TO BE ENTITLED
AN ACT

1 To amend Code Section 33-56-3 of the Official Code of Georgia Annotated, relating to
2 company action level events, preparation and submission of risk-based capital level plan, so
3 as to change the life risk-based capital trend test in order to comply with accreditation
4 standards; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Code Section 33-56-3 of the Official Code of Georgia Annotated, relating to company action
8 level events, preparation and submission of risk-based capital level plan, is amended by
9 revising paragraph (1) of subsection (a) as follows:

10 "(1) The filing of an RBC report by an insurer which indicates that:

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

13 (B) If a life and health insurer, the insurer has total adjusted capital which is greater
14 than or equal to its company action level RBC but less than the product of its authorized
15 control level RBC and ~~2.5~~ 3.0 and has a negative trend; ~~or~~

16 (C) If a property and casualty insurer, the insurer has total adjusted capital which is
17 greater than or equal to its company action level RBC but less than the product of its
18 authorized control level RBC and 3.0 and triggers the trend test determined in
19 accordance with the trend test calculation included in the property and casualty RBC
20 instructions; or

21 (D) If a health organization has total adjusted capital which is greater than or equal to
22 its company action level RBC but less than the product of its authorized control level
23 RBC and 3.0 and triggers the trend test determined in accordance with the trend test
24 calculation included in the health RBC instructions;

25 (2) The notification by the Commissioner to the insurer of an adjusted RBC report that
26 indicates an event in paragraph (1) of this subsection, provided the insurer does not
27 challenge the adjusted RBC report under Code Section 33-56-7; or

28 (3) If, pursuant to Code Section 33-56-7, an insurer challenges an adjusted RBC report
29 that indicates the event in paragraph (1) of this subsection, the notification by the
30 Commissioner to the insurer that the Commissioner has, after a hearing, rejected the
31 insurer's challenge."

32 **SECTION 2.**

33 All laws and parts of laws in conflict with this Act are repealed.