

RÉSUMÉ DIGEST

ACT 713 (HB 715)

2022 Regular Session

Green

New law defines "group capital calculation instructions", "NAIC liquidity stress test framework", "scope criteria", "federal reserve", and "NAIC".

Existing law provides that certain information does not need to be disclosed on an insurer's registration statement if the information is not material to the purposes of existing law.

New law provides that exemption from disclosure in existing law does not apply for the purposes of the group capital calculation or the liquidity stress test framework.

New law requires the ultimate controlling person of every insurer subject to registration to file an annual group capital calculation.

New law provides that certain insurance holding companies are exempt from filing a group capital calculation.

New law requires the ultimate controlling person of every insurer subject to registration and scoped into the NAIC liquidity stress test to file the results of its liquidity stress test.

New law provides that insurers meeting at least one threshold of the scope criteria are considered scoped into the NAIC liquidity stress test framework for the specified data year, unless the lead state insurance commissioner, in consultation with the NAIC Financial Stability Task Force or its successor, determines the insurer should not be scoped into the framework for that data year.

Existing law provides for violations of existing law and incorporation by reference.

New law retains and redesignates existing law.

New law provides certain standards that must be met for transactions with an insurance holding company system to which an insurer subject to registration is a party to the transaction.

New law provides that certain affiliates that are a party to an agreement or contract with a domestic insurer shall be subject to the jurisdiction of any supervision, seizure, conservatorship, or receivership proceedings against the insurer.

New law provides that certain documents, materials, and other information in the possession of the Department of Insurance shall be recognized as proprietary information containing trade secrets.

New law provides that the commissioner of insurance (commissioner) shall maintain the confidentiality of the group capital calculation, group capital ratio, and the liquidity stress test results and its supporting disclosures received from insurers.

New law authorizes the commissioner to share certain proprietary information and trade secret documents with other state, federal, and international law enforcement authorities.

New law authorizes the commissioner to receive proprietary and trade secret information from certain sources.

New law requires the commissioner to enter into written agreements governing the sharing and use of certain information with the NAIC and any third-party consultants designated by the commissioner.

New law provides certain requirements for written agreements governing the sharing and use of certain information between the commissioner and the NAIC and any third-party consultants designated by the commissioner.

New law prohibits the disclosure of insurers' group capital calculation, group capital ratio, and liquidity stress test results and supporting disclosures, except to rectify a

misrepresentation of such data, if the sole purpose of the disclosure is to rebut a materially false statement regarding the data.

Effective August 1, 2022.

(Amends R.S. 22:691.2(intro. para.), 691.6(D), (M), and (N), and 691.10(A), (C)(1), (3), and (4), and (F); Adds R.S. 22:691.2(13)-(17), 691.6(O) and (P), 691.7(A)(1)(g)-(i) and (6), and 691.10(G))