

SENATE BILL REPORT

SB 5443

AS OF FEBRUARY 18, 1991

Brief Description: Changing the process for acquiring insurance holding companies.

SPONSORS: Senator Moore.

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

Staff: Mark Hutson (786-7488)

Hearing Dates: February 19, 1991

BACKGROUND:

The controlling ownership of a domestic insurer may not change unless the following information is filed with and approved by the Insurance Commissioner:

- (a) The identities and backgrounds of given parties must be checked.
- (b) The sources and amounts of funds must be verified.
- (c) Any plans or proposals of liquidation or merger must be submitted.
- (d) The amount of convertible voting securities must be identified.
- (e) Information and copies of any contracts, arrangements or understandings to acquire control must be submitted.

Currently, the commissioner has 60 days from the filing date to review any proposed exchange or acquisition of control of a domestic insurer.

SUMMARY:

An exchange or other acquisition of control of a domestic insurer may proceed if the commissioner fails to disapprove the transaction within 20 days of filing the statement.

Appropriation: none

Revenue: none

Fiscal Note: none requested