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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
01/26/2016	.	
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The Committee on Banking and Insurance (Simmons) recommended the following:

Senate Amendment

Delete lines 119 - 194
and insert:

6. The office's review of the ORSA summary report must be conducted, and any additional requests for information must be made, using procedures similar to those used in the analysis and examination of multistate or global insurers and insurance groups.

(d) Exemption.-



884538

11 1. An insurer is exempt from the requirements of this
12 subsection if:

13 a. The insurer has annual direct written and unaffiliated
14 assumed premium, including international direct and assumed
15 premium, but excluding premiums reinsured with the Federal Crop
16 Insurance Corporation and the National Flood Insurance Program,
17 of less than \$500 million; or

18 b. The insurer is a member of an insurance group and the
19 insurance group has annual direct written and unaffiliated
20 assumed premium, including international direct and assumed
21 premium, but excluding premiums reinsured with the Federal Crop
22 Insurance Corporation and the National Flood Insurance Program,
23 of less than \$1 billion.

24 2. If an insurer is:

25 a. Exempt under sub-subparagraph 1.a., but the insurance
26 group of which the insurer is a member is not exempt under sub-
27 subparagraph 1.b., the ORSA summary report must include every
28 insurer within the insurance group. The insurer may satisfy this
29 requirement by submitting more than one ORSA summary report for
30 any combination of insurers if any combination of reports
31 includes every insurer within the insurance group.

32 b. Not exempt under sub-subparagraph 1.a., but the
33 insurance group of which it is a member is exempt under sub-
34 subparagraph 1.b., the insurer must submit to the office the
35 ORSA summary report applicable only to that insurer.

36 3. The office may require an exempt insurer to maintain a
37 risk management framework, conduct an ORSA, and file an ORSA
38 summary report:

39 a. Based on unique circumstances, including, but not



884538

40 limited to, the type and volume of business written, ownership
41 and organizational structure, federal agency requests, and
42 international supervisor requests;

43 b. If the insurer has risk-based capital for a company
44 action level event pursuant to s. 624.4085(3), meets one or more
45 of the standards of an insurer deemed to be in hazardous
46 financial condition as defined in rules adopted by the
47 commission pursuant to s. 624.81(11), or exhibits qualities of
48 an insurer in hazardous financial condition as determined by the
49 office; or

50 c. If the office determines it is in the best interest of
51 the state.

52 4. If an exempt insurer becomes disqualified for an
53 exemption because of changes in premium as reported on the most
54 recent annual statement of the insurer or annual statements of
55 the insurers within the insurance group of which the insurer is
56 a member, the insurer must comply with the requirements of this
57 section effective 1 year after the year in which the insurer
58 exceeded the premium thresholds.

59 (e) Waiver.—An insurer that does not qualify for an
60 exemption under paragraph (d) may request a waiver from the
61 office based upon unique circumstances. If the insurer is part
62 of an insurance group with insurers domiciled in more than one
63 state, the office must coordinate with the lead state and with
64 the other domiciliary regulators in deciding whether to grant a
65 waiver. In deciding whether to grant a waiver, the office may
66 consider:

- 67 1. The type and volume of business written by the insurer.
68 2. The ownership and organizational structure of the



884538

69 insurer.

70 3. Any other factor the office considers relevant to the
71 insurer or insurance group of which the insurer is a member.

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73 A waiver granted pursuant to this paragraph is valid until
74 withdrawn by the office.