State Corporation Commission
2020 Fiscal Impact Statement

1. **Bill Number:** HB154

House of Origin	☒	Introduced	☐	Substitute	☐ Engrossed
Second House	☐	In Committee	☐	Substitute	☐ Enrolled

2. **Patron:** Kilgore

3. **Committee:** Committee Referral Pending

4. **Title:** Reinsurance credits.

5. **Summary:** Conforms Virginia's law regarding credits to insurers for reinsurance ceded to assuming insurers to the provisions of the Credit for Reinsurance Model Law of the National Association of Insurance Commissioners. The bill eliminates the reinsurance collateral requirements for assuming insurers that are domiciled in or have their head office in a reciprocal jurisdiction, which is defined in the bill. Under the bill, such assuming insurers are required to maintain a minimum capital and surplus, maintain a minimal solvency and capital ratio, and provide notice to the State Corporation Commission in the event of noncompliance of any requirements. The bill requires the Commission to create and publish a list of reciprocal jurisdictions and assuming insurers.

6. **Budget amendment necessary:** No

7. **Fiscal Impact Estimates:** No Fiscal Impact on the State Corporation Commission

8. **Fiscal Implications:** None on the State Corporation Commission

9. **Specific agency or political subdivisions affected:** State Corporation Commission Bureau of Insurance

10. **Technical amendment necessary:** There will be amendments to House Bill 154 when it is taken up in the House Committee on Labor and Commerce to include language that was inadvertently omitted.

11. **Other comments:** House Bill 154 was introduced by Delegate Kilgore at the request of the State Corporation Commission Bureau of Insurance.

Date: 01/10/20/V. Tompkins