

House Bill 74 (AS PASSED HOUSE AND SENATE)

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

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.