

March 1, 2001

**H 347. INSURANCE FINANCIAL AMENDMENTS.** *TO AMEND NORTH CAROLINA'S INSURANCE LAWS CONCERNING INSURANCE COMPANY RESERVING METHODS, LICENSING PROVISIONS, REINSURANCE FOR DOMESTIC COMPANIES, DOMESTIC COMPANY FORMATION, SOLVENCY PROTECTION, LIFE INSURANCE COMPANY VARIABLE ACCOUNTS, CONSOLIDATIONS, INVESTMENTS, MUTUAL INSURANCE COMPANIES, REINSURANCE INTERMEDIARIES, MORTGAGE GUARANTY INSURANCE, RISK-BASED CAPITAL REQUIREMENTS, ASSET PROTECTION, FOREIGN INSURANCE COMPANIES, PROMOTING AND HOLDING COMPANIES, HOLDING COMPANY SYSTEMS, SURPLUS LINES INSURANCE, RISK RETENTION GROUPS, INSURANCE COMPANY RECEIVERSHIPS, MANAGING GENERAL AGENTS, SELF-INSURED WORKERS' COMPENSATION, AND CONTINUING CARE RETIREMENT COMMUNITIES.* Makes extensive revisions to financial solvency provisions of GS Ch. 58, including changes in minimum reserves; changes in credit for reinsurance; allowing more liberal investments, such as derivatives, by insurance companies; changes in demutualization law; changes in the process for stock to mutual insurer conversion; a new Part 5 to Art. 10 of Ch. 58 that sets requirements for mortgage guaranty insurance; background checks on persons forming domestic insurance companies; placing HMOs and service corporations under risk-based capital law; increasing trust fund amounts for alien surplus lines insurers; authority for Comm'r of Insurance to require additional net worth for health maintenance organizations; and stronger process protections for residents of continuing care retirement communities.

**Intro. by Hurley and Dockham.**

Ref. to Insurance	GS 58
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