



House of Representatives

General Assembly

File No. 71

January Session, 2003

Substitute House Bill No. 6376

House of Representatives, March 25, 2003

The Committee on Insurance and Real Estate reported through REP. OREFICE of the 37th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING MINIMUM VALUATION STANDARDS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-70 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2003*):

3 When adopting accounting rules and minimum valuation
4 standards, the commissioner shall follow those accounting and
5 valuation procedures and practices published in the National
6 Association of Insurance Commissioners Accounting Practices and
7 Procedures Manual, version effective January 1, 2001, and subsequent
8 revisions, including the preamble, all appendices and actuarial
9 guidelines, and the National Association of Insurance Commissioners
10 Annual Statement Instructions Manual, subject to any deviations the
11 commissioner may prescribe.

This act shall take effect as follows:

Section 1	<i>October 1, 2003</i>
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INS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Insurance Dept.	IF - None	None	None

Note: IF=Insurance Fund

Municipal Impact: None

Explanation

The bill standardizes certain valuation procedures used by the Department of Insurance and does not result in a fiscal impact on the state.

OLR Bill Analysis

sHB 6376

AN ACT CONCERNING MINIMUM VALUATION STANDARDS**SUMMARY:**

When adopting accounting rules, the bill requires the insurance commissioner to adopt and follow the minimum valuation standards published in the latest version of the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual*, including its preamble, appendices, and actuarial guidelines, and in the NAIC's *Annual Statement Instruction Manual*, subject to deviations the commissioner prescribes.

EFFECTIVE DATE: October 1, 2003

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 14 Nay 0