



**House Bill No. 6364**

**Public Act No. 11-253**

**AN ACT CONCERNING THE SUNSET DATE FOR PERSONAL RISK INSURANCE RATE FILINGS AND THE PROCUREMENT OF REINSURANCE BY DOMESTIC TITLE INSURERS.**

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

Section 1. Subsection (a) of section 38a-688a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) Notwithstanding the requirements of sections 38a-389 and 38a-688 with respect to personal risk insurance with the exception of residual market rates, and on and after July 1, 2006, and until July 1, [2011] 2013, an insurer may file a rate with the Insurance Commissioner pursuant to this section and such rate shall take effect the date it is filed provided the rate provides for an overall state-wide rate increase or decrease of not more than six per cent in the aggregate for all coverages that are subject to the filing. The six per cent limit shall not apply on an individual insured basis. Not more than one filing may be made by an insurer pursuant to this section within any twelve-month period unless the filing, when combined with one or more filings made by the insurer within the preceding twelve months, does not result in an overall state-wide increase or decrease of more than six per cent in the aggregate for all coverages that are subject to

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the filing.

Sec. 2. Section 38a-411 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(a) A title insurer may obtain reinsurance for all or any part of its liability under one or more of its title insurance policies or reinsurance agreements and may also reinsure title insurance policies issued by other title insurers on risks located in this state or elsewhere. [Reinsurance] Except as provided in subsections (b) and (c) of this section, reinsurance on policies issued on properties located in this state [must] shall be obtained from title insurers licensed to transact title insurance business in this state.

(b) Upon application by a title insurer, the commissioner may permit the insurer to obtain reinsurance from a title insurer not licensed in this state where capital and surplus of the unlicensed title insurer meets the requirements for licensed companies under section 38a-405.

(c) Upon application by a domestic title insurer, the commissioner may permit the insurer to obtain reinsurance from a property and casualty reinsurer accredited pursuant to the provisions of section 38a-85, provided such domestic title insurer has executed an affidavit setting forth facts showing that such insurer was unable after diligent effort to procure, from another title insurer, a reinsurance treaty that is reasonably consistent with what is fair and appropriate under commonly accepted commercial practices. Such title insurer shall include such affidavit and a copy of the proposed reinsurance treaty with the application filed by such insurer with the commissioner.

Approved July 13, 2011