
OLR Bill Analysis

SB 1047

AN ACT CONCERNING INSURANCE AND CLIMATE CHANGE.

SUMMARY

This bill requires the insurance commissioner, by January 1, 2022, to develop and implement criteria for insurers doing business in Connecticut to submit an annual report disclosing the following:

1. the insurer's investments in fossil fuels,
2. the investments' exposure to climate risks, and
3. information on the insurer's gross premium underwriting for insureds involved in the fossil fuel industry and related industries.

It requires insurers doing business in Connecticut, beginning by March 1, 2022, to annually report to the commissioner the above information for the preceding calendar year. The commissioner (1) must post the reports on the department's website by April 1 annually and (2) may adopt implementing regulations.

The bill also requires the commissioner to submit a report to the Insurance and Real Estate Committee annually beginning by April 1, 2022. The report must disclose the department's efforts, if any, in the preceding calendar year to do the following:

1. integrate climate-related risks into the department's regulation and supervision of insurers,
2. align insurer investment and underwriting activities with the goal of the Paris Agreement on Climate Change to limit the increase in the global average temperature to 1½ degrees Celsius above preindustrial levels, and

3. bolster insurers' resilience to climate change's physical impacts.

EFFECTIVE DATE: October 1, 2021

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable

Yea 16 Nay 2 (03/22/2021)