

FIRST REGULAR SESSION

# SENATE BILL NO. 346

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WASSON.

Read 1st time January 28, 2015, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1657S.011

## AN ACT

To repeal section 375.534, RSMo, and to enact in lieu thereof two new sections relating to insurance foreign investment.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Section 375.534, RSMo, is repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 375.533 and 375.534, to read as  
3 follows:

**375.533. 1. An insurer shall not acquire, directly or indirectly  
2 through an investment subsidiary, a Canadian investment otherwise  
3 permitted under this chapter if, after giving effect to the investment,  
4 the aggregate amount of Canadian investments then held by the insurer  
5 would exceed twenty-five percent of its admitted assets.**

**6 2. As to an insurer that is authorized to do business in Canada  
7 or that has outstanding insurance, annuity, or reinsurance contracts on  
8 risks resident or located in Canada and denominated in Canadian  
9 currency, the limitations of subsection 1 of this section shall be  
10 increased by the greater of:**

**11 (1) The amount the insurer is required by applicable Canadian  
12 law to invest in Canada or to be denominated in Canadian currency; or**

**13 (2) One hundred twenty-five percent of the amount of the  
14 insurer's reserves and other obligations under contracts on risks  
15 resident or located in Canada.**

375.534. 1. In addition to other foreign investments permitted by  
2 Missouri law for the type or kind of insurance company involved, the capital,  
3 reserves and surplus of all insurance companies of whatever kind and character

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

4 organized under the laws of this state, having admitted assets of not less than  
5 one hundred million dollars, may be invested in securities, investments and  
6 deposits issued, guaranteed or assumed by a foreign government or foreign  
7 corporation, or located in a foreign country, whether denominated in United  
8 States dollars or in foreign currency, subject to the following conditions:

9 (1) Such securities, investments and deposits shall be of substantially the  
10 same kind, class and quality of like United States investments eligible for  
11 investment by an insurance company under Missouri law;

12 (2) An insurance company shall not invest or deposit in the aggregate  
13 more than ~~[five]~~ **twenty** percent of its admitted assets under this section, except  
14 that an insurance company may reinvest or redeposit any income or profits  
15 generated by investments permitted under this section; and

16 (3) Such securities, investments and deposits shall be aggregated with  
17 United States investments of the same class in determining compliance with  
18 percentage limitations imposed under Missouri law for investments in that class  
19 for the type or kind of insurance company involved.

20 2. This section shall not apply to an insurer organized under chapter 376.

Bill ✓

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