

State Corporation Commission

2022 Fiscal Impact Statement

1. Bill Number: HB 681

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: Wampler

3. Committee: Commerce & Energy

4. Title: Insurers rehabilitation and liquidation; federal home loan bank rights.

5. Summary: Expands upon provisions that authorize a court, in instances of insurer rehabilitation and liquidation, to issue a restraining order or injunction to an insurer to prevent the transaction of future business or other business activities. The bill further creates provisions relating to federal home loan bank rights and insurer-members of federal home loan banks related to the transfer of assets, delinquency proceedings, and requirements for federal home loan banks upon appointing a receiver for an insurer-member.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: No Fiscal Impact on the State Corporation Commission

8. Fiscal Implications: None for the State Corporation Commission

9. Specific Agency or Political Subdivisions Affected: State Corporation Commission
Bureau of Insurance

10. Technical Amendment Necessary: No

11. Other Comments: The State Corporation Commission Bureau of Insurance asked for the opportunity to work with proponents of Senate Bill 637 on the provisions of Senate Bill 637. As currently drafted, the bill gives federal home loan banks preferential protections which potentially constrain the Commission's ability to protect policyholders and other creditors of financially troubled insurers.

Date: 1/31/22/V. Tompkins