



Senate Fiscal Agency
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BILL



ANALYSIS

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House Bill 5148 (as reported without amendment)

Sponsor: Representative Marcia Hovey-Wright

House Committee: Insurance

Senate Committee: Insurance

CONTENT

The bill would amend the Insurance Code to include preferred stock in companies organized under the laws of Canada, or a province or territory of Canada, as assets that are considered qualified assets for the purpose of an insurer's minimum asset requirements.

The Code requires each domestic insurer to maintain a certain amount of assets in cash or qualified assets. Qualified assets include preferred stock of any company organized under the laws of the United States, a state of the United States, or the District of Columbia, provided they meet certain dividend requirements. The bill would include preferred stock in companies organized under the laws Canada, or a province or territory of Canada, meeting the same requirements.

MCL 500.912 & 500.924

Legislative Analyst: Jeff Mann

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Date Completed: 3-5-14

Fiscal Analyst: Glenn Steffens