

HOUSE BILL NO. 6302

June 30, 2022, Introduced by Reps. Sneller, Beeler, Harris, Steenland, Borton, Anthony and Calley
and referred to the Committee on Rules and Competitiveness.

A bill to amend 1956 PA 218, entitled
"The insurance code of 1956,"
(MCL 500.100 to 500.8302) by adding section 1325c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1325c. (1) Except as otherwise provided in this section,
2 the ultimate controlling person of every insurer that is subject to
3 registration under section 1324 and that is scoped into the NAIC
4 liquidity stress test framework for the specified data year shall
5 file with the lead state commissioner the results of that year's
6 liquidity stress test.

1 (2) A change to the NAIC liquidity stress test framework or to
2 the data year for which the scope criteria are to be measured must
3 be effective on January 1 of the year following the calendar year
4 when the change is adopted by NAIC.

5 (3) An insurer that meets at least 1 threshold of the scope
6 criteria is considered scoped into the NAIC liquidity stress test
7 framework for the specified data year, unless the lead state
8 commissioner, in consultation with the NAIC financial stability
9 task force or its successor, determines that the insurer should not
10 be scoped into the framework for the specified data year.

11 (4) An insurer that does not meet at least 1 threshold of the
12 scope criteria is considered scoped out of the NAIC liquidity
13 stress test framework for the specified data year, unless the lead
14 state commissioner, in consultation with the NAIC financial
15 stability task force or its successor, determines the insurer
16 should be scoped into the NAIC liquidity stress test framework for
17 the specified data year.

18 (5) As part of a determination made under subsection (3) or
19 (4), the lead state commissioner, in consultation with the NAIC
20 financial stability task force or its successor, shall consider
21 that regulators wish to avoid having insurers scoped in and out of
22 the NAIC liquidity stress test framework on a frequent basis.

23 (6) The performance of, and filing of the results from, a
24 specified year's liquidity stress test must comply with the NAIC
25 liquidity stress test framework's instructions and reporting
26 templates for that year and any lead state commissioner
27 determination, in conjunction with the NAIC financial stability
28 task force or its successor, provided within the NAIC liquidity
29 stress test framework.

1 Enacting section 1. This amendatory act does not take effect
2 unless all of the following bills of the 101st Legislature are
3 enacted into law:

4 (a) Senate Bill No.____ or House Bill No. 6297 (request no.
5 05935'22).

6 (b) Senate Bill No.____ or House Bill No. 6299 (request no.
7 06317'22).

8 (c) Senate Bill No.____ or House Bill No. 6301(request no.
9 06318'22).

10 (d) Senate Bill No.____ or House Bill No. 6303 (request no.
11 06320'22).

12 (e) Senate Bill No.____ or House Bill No. 6300 (request no.
13 06321'22).

14 (f) Senate Bill No.____ or House Bill No. 6298 (request no.
15 06322'22).