



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 1016

PRINTERS NO. 1166

PRIME SPONSOR: DeLuca

### COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	\$0

### SUMMARY:

House Bill 1016 amends the Insurance Company Law of 1921 concerning solvency, benefits contracts, and injunctions, liquidations and receiverships of domestic societies. It would take effect in 60 days.

### ANALYSIS:

House Bill 1016 adds a section to the Insurance Company Law of 1921 concerning the solvency of fraternal benefits organizations, or domestic societies. The section describes the conditions under which the Insurance Commissioner may declare a domestic society to be in a hazardous condition and may take actions, including forcing the society to merge with another society or another insurer, and suspending the laws and regulations of the society.

The bill also sets up a streamlined process through which fraternal benefit societies can be liquidated under the Insurance Company Law.

### FISCAL IMPACT:

Enactment of this legislation will have no adverse impact on Commonwealth funds.

**PREPARED BY:** Jeff Miller  
House Appropriations Committee (R)

**DATE:** June 4, 2019

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*