



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 1222

PRINTERS NO. 1646

PRIME SPONSOR: DiSanto

AS AMENDED BY: A05354

COST / (SAVINGS)

FUND	FY 2022/23	FY 2023/24
General Fund	\$0	\$0

SUMMARY: Senate Bill 1222 amends the Insurance Company Law of 1921 concerning Group Capital Calculations (GCC) and Liquidity Stress Tests (LST) and peer-to-peer car sharing. Effective dates vary by provision.

ANALYSIS: Senate Bill 1222 amends the Insurance Company Law of 1921 concerning insurance holding companies. It enacts the National Association of Insurance Commissioners model for conducting the GCC and the LST reports. These two financial analytical tools offer a comprehensive understanding of the financial conditions, capital allocation, and risks of insurance groups, and they provide the basis for surveillance critical to mitigating risk during economic downturns.

This legislation also adds a new article to the Law concerning peer-to-peer carsharing. The article governs the intersection of peer-to-peer car services and the regulated business of insurance. Peer-to-peer car sharing is defined as the authorized use of a vehicle by an individual other than the vehicle's owner through a peer-to-peer car sharing program and does not include renting a car through a rental car company. A peer-to-peer car sharing program is a business platform that connects vehicle owners with drivers to enable the sharing of vehicles for financial consideration. This article governs what insurance coverage must be provided by drivers, vehicle owners and peer-to-peer car sharing programs in these transactions and ensures that there is insurance coverage for shared vehicle drivers at minimum financial responsibility levels throughout the vehicle sharing period.

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

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: July 7, 2022

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