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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

COMMITTEES

INSURANCE COMMITTEE
REPUBLICAN CHAIRMAN
HEALTH AND HUMAN SERVICES COMMITTEE

April 2, 2012

MEMORANDUM

SUBJECT: Proposed Legislation – Holding Companies Act

TO: All House Members

FROM: Nicholas A. Micozzie, Chairman
House Insurance Committee

A handwritten signature in black ink, appearing to read 'NAM', written over the printed name of Nicholas A. Micozzie.

In the very near future, I will be introducing a resolution that seeks to amend the Holding Companies Law to reflect the National Association of Insurance Commissioners (NAIC) model legislation to provide for groupwide supervision of internationally active, multi-jurisdictional insurance groups.

This language was developed as a result of a working group formed within the NAIC in the aftermath of American International Group (AIG) and the federal government's rescue of the financially troubled institution, in light of the downturn in our economy.

The working group, in studying impact such a downturn had on large insurers such as AIG, developed this language that seeks to improve state regulation of these large insurers, thereby enabling the regulator to better assess a holding company's "enterprise risk." The ultimate goal of my legislation is to enable the regulator to view the group operations in an effort to more accurately assess and monitor the solvency of larger insurer groups.

If you wish to cosponsor this legislation, please contact Sheila Earhart via email at searhart@pahousegop.com or 783-8808.

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