

1 *Senate* BILL NO. *219*
 2 INTRODUCED BY *Goodwin Murray*
 3 BY REQUEST OF THE INSURANCE COMMISSIONER

1 exceed the aggregate reserves of the policies contained in
 2 the bulk reinsurance agreement, prior to granting approval.

-End-

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING AN AGREEMENT
 6 OF BULK REINSURANCE BY A FOREIGN OR ALIEN INSURER TO BE
 7 APPROVED BY THE COMMISSIONER OF INSURANCE AND ALLOWING THE
 8 COMMISSIONER TO REQUIRE A DEPOSIT."

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10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. There is a new R.C.M. section numbered
12 40-2911 that reads as follows:

13 40-2911. Bulk reinsurance, foreign or alien insurers.

14 (1) A foreign or alien insurer may reinsure all or
 15 substantially all of its insurance in force in Montana or a
 16 major class thereof with an agreement of bulk reinsurance,
 17 but no such agreement may become effective unless filed with
 18 the commissioner and approved by him in writing after a
 19 hearing thereon.

20 (2) The commissioner shall approve the agreement
 21 within a reasonable time after such a hearing unless he
 22 finds that it would substantially reduce the protection or
 23 service to the policyholders.

24 (3) The commissioner may require a foreign or alien
 25 insurer to establish a trust account in this state, not to

INTRODUCED BILL

SB219

Approved by Committee
on Business and Industry

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