

FIRST REGULAR SESSION

HOUSE BILL NO. 592

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE GOSEN.

1543H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 375.534, RSMo, and to enact in lieu thereof two new sections relating to foreign investments.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 375.534, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 375.534 and 375.1600, to read as follows:

375.534. 1. In addition to other foreign investments permitted by Missouri law for the type or kind of insurance company involved, the capital, reserves and surplus of all insurance companies of whatever kind and character organized under the laws of this state, having admitted assets of not less than one hundred million dollars, may be invested in securities, investments and deposits issued, guaranteed or assumed by a foreign government or foreign corporation, or located in a foreign country, whether denominated in United States dollars or in foreign currency, subject to the following conditions:

(1) Such securities, investments and deposits shall be of substantially the same kind, class and quality of like United States investments eligible for investment by an insurance company under Missouri law;

(2) An insurance company shall not invest or deposit in the aggregate more than [five] **twenty** percent of its admitted assets under this section, except that an insurance company may reinvest or redeposit any income or profits generated by investments permitted under this section; and

(3) Such securities, investments and deposits shall be aggregated with United States investments of the same class in determining compliance with percentage limitations imposed

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 under Missouri law for investments in that class for the type or kind of insurance company
18 involved.

19 2. This section shall not apply to an insurer organized under chapter 376.

2 **375.1600. 1. An insurer shall not acquire, directly or indirectly through an**
3 **investment subsidiary, a Canadian investment otherwise permitted under this chapter if,**
4 **after giving effect to the investment, the aggregate amount of Canadian investments then**
5 **held by the insurer would exceed twenty-five percent of its admitted assets.**

6 **2. For any insurer that is authorized to do business in Canada or that has**
7 **outstanding insurance, annuity, or reinsurance contracts on risks resident or located in**
8 **Canada, denominated in Canadian currency, the limitations of subsection 1 of this section**
9 **shall be increased by the greater of:**

10 **(1) The amount the insurer is required by applicable Canadian law to invest in**
11 **Canada or to be denominated in Canadian currency; or**

12 **(2) One hundred twenty-five percent of the amount of the insurer's reserves and**
other obligations under contracts on risks resident or located in Canada.

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