

HB 592 -- FOREIGN INVESTMENTS

SPONSOR: Gosen

Currently insurance companies organized under Missouri law having assets of at least \$100 million may invest not more than 5% of their admitted assets in securities, investments, and deposits issued, guaranteed or assumed by a foreign government or foreign corporation. This bill increases the percentage to 20%.

Insurers are also prohibited from acquiring, directly or indirectly through an investment subsidiary, a Canadian investment otherwise permitted under law if the aggregate amount of Canadian investments then held by the insurer would exceed 25% of its admitted assets.

For any insurer authorized to do business in Canada or that has outstanding contracts on risks resident or located in Canada, denominated in Canadian currency, the 25% limitation will be increased by the greater of the amount the insurer is required by applicable Canadian law to invest in Canada or be denominated in Canadian currency, or 125% percent of the amount of the insurer's reserves and other obligations under contracts on risks resident or located in Canada.