

HCS HB 592 -- FOREIGN INVESTMENTS BY INSURANCE COMPANIES (Gosen)

COMMITTEE OF ORIGIN: Standing Committee on Property, Casualty, and Life Insurance

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 not more than 20% with not more than 10% in a single foreign jurisdiction having a sovereign debt rating of SVO "1" or 5% of its admitted assets as to any other foreign jurisdiction.

An insurer is prohibited from acquiring, directly or indirectly through an investment subsidiary, a Canadian investment otherwise permitted under law if the aggregate amount of the 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 lives or risks resident or located in Canada, denominated in Canadian currency, the 25% limitation must 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.