

HB 2524 -- PROTECTING MISSOURI'S MUTUAL INSURANCE COMPANIES ACT

SPONSOR: Knight

This bill creates the "Protecting Missouri's Mutual Insurance Companies Act". The bill states that no Missouri mutual insurance company will be required to acquire or carry reinsurance greater than adequate reinsurance, and that unlimited aggregate reinsurance will be optional.

The bill states that the Director of the Department of Commerce and Insurance shall not hold a hearing regarding a proposed merger of Missouri mutual insurance companies unless there is substantial and competent evidence to believe the merger will prejudice the policyholders of the companies. The Director shall provide a written notice of hearing with the reasons and the date of the hearing within 15 days of receiving the petition of merger.

The bill states that the Department shall not charge a rate exceeding a reasonable fee for the examination of Missouri mutual insurance companies, and that the Department must hold a scheduling conference and provide a budget estimate for the examination. The bill also states that the working papers, documents, and information obtained or disclosed during the examination will be confidential and not subject to subpoena or public disclosure.