

CHAPTER 384
FORMERLY
HOUSE BILL NO. 305

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO RISK-BASED CAPITAL (RBC) FOR INSURERS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Title 18, § 5803(a). of the Delaware Code by making deletions as shown by strike through and insertions as shown by underlining as follows

(a) "Company Action Level Event" means any of the following events:

(1) The filing of an RBC report by an insurer which indicates that:

a. The insurer's total adjusted capital is greater than or equal to its Regulatory Action Level RBC but less than its Company Action Level RBC; or

b. If a life ~~insurer, and/or~~ health insurer, or a fraternal benefit society, the insurer or society has total adjusted capital which is greater than or equal to its Company Action Level RBC but less than the product of its Authorized Control Level RBC and 3.0 ~~2.5~~ and has a negative trend; or

c. If a property and casualty insurer, the insurer has total adjusted capital which is greater than or equal to its Company Action Level RBC but less than the product of its Authorized Control Level RBC and 3.0 and triggers the trend test determined in accordance with the trend test calculation included in the Property and Casualty RBC instructions.

(2) The notification by the Commissioner to the insurer of an adjusted RBC report that indicates an event in paragraph (a)(1) of this section, provided the insurer does not challenge the adjusted RBC report under § 5807 of this title; or

(3) If, pursuant to § 5807 of this chapter, an insurer challenges an adjusted RBC report that indicates the event in paragraph (a)(1) of this section, the notification by the Commissioner to the insurer that the Commissioner has, after a hearing, rejected the insurer's challenge.

Section 2. This Act shall take effect immediately upon its enactment.

Approved August 10, 2016