As Passed by the Senate

132nd General Assembly Regular Session 2017-2018

Sub. S. B. No. 273

Senator Hackett

Cosponsors: Senators Hottinger, Brown, Burke

A BILL

To enact sections 1.65 and 3901.91 of	f the Revised 1	
Code to enact for the Revised Code	e a definition 2	
of the term "insurance rating age	ncy." 3	

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

Section 1. That sections 1.65 and 3901.91 of the Revised	4
Code be enacted to read as follows:	5
Sec. 1.65. (A) As used in the Revised Code, "insurance	6
rating agency" means A.M. Best Rating Services, Inc., Demotech,	7
Inc., or a rating agency certified or approved by a national	8
entity that engages in an approval process that includes all of	9
the following:	10
(1) A requirement for the rating agency to register and provide an annual updated filing;	11 12
(2) Record retention requirements;	13
(3) Financial reporting requirements;	14
(4) Policies for the prevention of misuse of material,	15
nonpublic information;	16

(6) Prohibited acts and practices; 1 (7) Disclosure requirements; 2 (8) Required policies, practices, and internal controls; 2 (9) Standards of training, experience, and competence for 2 (9) Standards of training, experience, and competence for 2 (10) Any reference in the Revised Code to an entity named 2 (11) division (A) of this section shall be construed as a 2 reference to any insurance rating agency as defined in division 2 (A) of this section. Any reference in the Revised Code to a 2 specific entity not named in division (A) of this section but 2 otherwise meeting the definition of "insurance rating agency" in 2 division (A) of this section shall be construed as a reference 3 to an insurance rating agency as defined by division (A) of this 3 section. 3 3 or amends a rule, including a rule related to the 3 superintendent's duties and powers under Chapters 1751, and 3 1753. and Title XXXIX of the Revised Code or a rule related to 3 an "insurance rating agency" as defined by section 1.65 of the 3 Revised Code, the superintendent shall give consideration to the 3 <t< th=""><th>(5) Management of conflicts of interest, including</th><th>17</th></t<>	(5) Management of conflicts of interest, including	17
(7) Disclosure requirements; 2 (8) Required policies, practices, and internal controls; 2 (9) Standards of training, experience, and competence for 2 credit analysts. 2 (B) Any reference in the Revised Code to an entity named 2 in division (A) of this section shall be construed as a 2 reference to any insurance rating agency as defined in division 2 (A) of this section. Any reference in the Revised Code to a 2 specific entity not named in division (A) of this section but 2 otherwise meeting the definition of "insurance rating agency" in 2 division (A) of this section shall be construed as a reference 3 to an insurance rating agency as defined by division (A) of this 3 section. 3 Sec. 3901.91. When the superintendent of insurance adopts 3 or amends a rule, including a rule related to the 3 superintendent's duties and powers under Chapters 1751. and 3 1753. and Title XXXIX of the Revised Code or a rule related to 3 an "insurance rating agency" as defined by section 1.65 of the 3 Revised Code, the superintendent shall give consideration to the 3 inclusion in the rule of	prohibited conflicts;	18
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