

INSURANCE HOLDING COMPANY SYSTEMS
ADDITIONAL REGULATIONS NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Division of Insurance, Department of Commerce, Community, and Economic Development
2. General subject of regulation: Regulations implementing SB 107 passed during the first session of the 29th Legislature and incorporating changes to the National Association of Insurance Commissioners Model Regulation (MDL 450) and making additional changes relating to improving conformity with the model, complying with drafting conventions, repealing obsolete regulations, and improving clarity.
3. Citation of regulation (may be grouped): 3 AAC 21.010 – 3 AAC 21.195
4. Department of Law file number, if any: _____
5. Reason for the proposed action:
☐ Compliance with federal law or action (identify): _____
☐ Compliance with new or changed state statute
☐ Compliance with Federal or state court decision (identify) _____
☐ Development of program standards
☒ Other (identify): Updating regulation consistent with NAIC model regulation (MDL 450)
6. Appropriation/Allocation: _____
7. Estimated annual costs in the aggregate to comply with the proposed action to:
Private Persons: The regulations provide additional tools for the division to oversee the solvency of insurers and their ability to pay consumers' claims by requiring additional reporting including more detailed information on agreements for cost sharing services and management services; an annual enterprise risk report, third party background checks for the identity of those completing a biographical affidavit as part of a Form A filing; three-year financial projections of insurers filing a Form A; and a personal financial statement for individuals who are ultimate controlling persons. The division does not have access to the information needed to determine estimated costs, however, the additional reporting requirements costs are not expected to be of significance in the insurance holding company systems' overall reporting requirements to the division.

Other State Agencies: None are anticipated.
Municipalities: None are anticipated.
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year	Subsequent
	FY <u>16</u>	Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>

1002 Federal receipts	\$ 0	\$ 0
1003 General fund match	\$ 0	\$ 0
1004 General fund	\$ 0	\$ 0
1005 General fund/ program	\$ 0	\$ 0
1037 General fund/ mental health	\$ 0	\$ 0
Other	\$ 0	\$ 0

9. The name of the contact person for the regulations:

Name: Maxine Froemling

Title: Chief Financial Examiner

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10. The origin of the proposed action:

☒ Staff of state agency

☐ Federal government

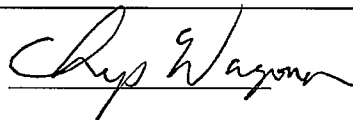
☐ General public

☐ Petition for regulation change

☒ Other (identify) Required by NAIC for NAIC accreditation of Alaska Division of Insurance

11. Date: June 15, 2015

Prepared by:



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