



February 16, 2017

Testimony on SB19

Submitted by Aaron Mays on behalf of Allstate Insurance

Thank you, Chairman Vickrey and members of the committee. Allstate would like to remain neutral on SB19. It is an NAIC model bill that has been passed in several other states. We would, however like to request a short amendment that we feel will improve the bill. The purpose of the amendment is to clarify that the reduced collateral standards apply to new reinsurance agreements.

*Credit for reinsurance ceded to a certified reinsurer is limited to reinsurance contracts entered or renewed on or after the effective date of the certification of the assuming insurer by the commissioner.*

This assures that agreements currently in place will not be impacted by the new laws. This language has been adopted in several other states and we would appreciate its addition if the committee chooses to work this bill.

Thank you, I would be happy to answer questions at the appropriate time.