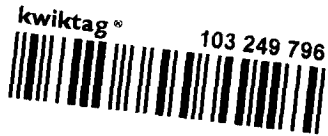


ENROLLMENT(S)

(5)



COUNCIL OF THE DISTRICT OF COLUMBIA

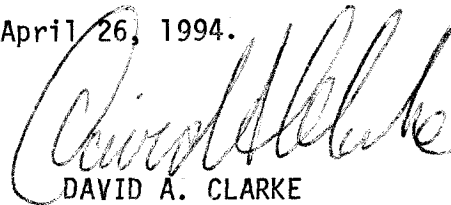
NOTICE

D.C. LAW 10-103

"Insurance Omnibus Amendment Act of 1994".

Pursuant to Section 412 of the District of Columbia Self-Government and Governmental Reorganization Act, P. L. 93-198 "the Act", the Council of the District of Columbia adopted Bill No. 10-394 on first and second readings, January 4, 1994, and February 1, 1994, respectively. Following the signature of the Mayor on February 17, 1994, this legislation was assigned Act No. 10-191, and published in the March 4, 1994, edition of the D.C. Register (Vol. 41 page 1005) and transmitted to Congress on February 25, 1994 for a 30-day review, in accordance with Section 602(c)(1) of the Act.

The Council of the District of Columbia hereby gives notice that the 30-day Congressional Review Period has expired, and therefore, cites this enactment as D.C. Law 10-103, effective April 26, 1994.



DAVID A. CLARKE
Chairman of the Council

Dates Counted During the 30-day Congressional Review Period:

February	25,28
March	1,2,3,4,7,8,9,10,11,14,15,16,17,18,21,22,23,24
April	12,13,14,15,18,19,20,21,22,25

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

FEBRUARY 17, 1994

To amend the Life Insurance Act, the Fire and Casualty Act, the Risk Retention Act of 1993, the Managing General Agents Act of 1993, the Reinsurance Intermediary Act of 1993, the Standards to Identify Insurance Companies Deemed to be in Hazardous Financial Condition Act of 1993, the Holding Company System Act of 1993, the Business Transacted with Producer Controlled Insurer Act of 1993, and the Law on Examinations Act of 1993 to make technical and clarifying amendments.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the "Insurance Omnibus Amendment Act of 1994".

Sec. 2. Section 2 of chapter I of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1128; D.C. Code § 35-302), is amended by adding a new definition to read as follows:

Section 35-302

"Admitted assets" includes the investments authorized or permitted pursuant to the National Association of Insurance Commissioners Accounting Practices and Procedures Manual."

Sec. 3. Section 12 of chapter II of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1070; D.C. Code § 35-1515), is amended by striking the phrase "without the written prior consent of the Superintendent" both times it appears.

Section 35-1515

Sec. 4. The Risk Retention Act of 1993, effective October 21, 1993 (D.C. Law 10-46; D.C. Code § 35-2901 et seq.), is amended as follows:

(a) Section 2(12)(B) (D.C. Code § 35-2901(12)(B)) is amended by striking the phrase "paragraph (9)(A)" and inserting the phrase "paragraph (12)(A)" in its place.

Section 35-2901

(b) Section 3 (D.C. Code § 35-2902) is amended as follows:

Section 35-2902

(1) Subsection (a)(2) is amended by striking the word "presented" and inserting the word "prescribed" in its place.

(2) Subsection (c)(1) is amended by striking the word "Commissioner" and inserting the word "Superintendent" in its place.

(c) Section 4(a) (D.C. Code § 35-2903(a)) is amended to read as follows:

Section 35-2903

"(a) After the effective date of the Insurance Omnibus Amendment Act of 1994, risk retention groups shall not be allowed to do business

in the District if an insurance company is directly or indirectly a member or owner of the risk retention group, other than in the case of a risk retention group all of whose members are insurance companies."

Sec. 5. Section 7 of the Managing General Agents Act of 1993, effective October 21, 1993 (D.C. Law 10-41; D.C. Code § 35-3006), is amended as follows: Section
35-3006

(a) Subsection (a)(1) is amended to read as follows:

"(a)(1) For each separate violation, a penalty in an amount not exceeding \$10,000; or not more than \$25,000 for intentional violations."

(b) Subsection (b) is amended to read as follows:

"(b) The decision, determination, or order of the Mayor pursuant to subsection (a) of this section shall be subject to judicial review pursuant to title 1 of the District of Columbia Administrative Procedure Act, approved October 21, 1968 (82 Stat 1204; D.C. Code § 1-1501 *et seq.*), sections 28 and 33 of Chapter II of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1140; D.C. Code § § 35-427 and 35-432), and sections 44 and 45 of chapter II of the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1082; D.C. Code § § 35-1547 and 35-1548)."

Sec. 6. The Reinsurance Intermediary Act of 1993, effective October 21, 1993 (D.C. Law 10-47; D.C. Code § 35-3101 *et seq.*), is amended as follows:

(a) Section 3(c)(2) (D.C. Code § 35-3102(c)(2)) is amended by striking the word "fund". Section
35-3102

(b) Section 11(a) (D.C. Code § 35-3110(a)) is amended by striking the phrase "managing general agent" and inserting the phrase "reinsurer intermediary" in its place. Section
35-3110

Sec. 7. The Standards to Identify Insurance Companies Deemed to be in Hazardous Financial Condition Act of 1993, effective October 21, 1993 (D.C. Law 10-43; D.C. Code § 35-3501 *et seq.*), is amended as follows:

(a) Section 3 (D.C. Code § 35-3502) is amended by adding a new subsection (d) to read as follows: Section
35-3502

"(d) The procedures and remedies set forth in this act do not in any way supercede or limit the authority of the Superintendent of Insurance to take over a company or to revoke or suspend its certificate of authority pursuant to chapter II of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1125; D.C. Code § 35-401 *et seq.*), or the Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1063; D.C. Code § 35-1501 *et seq.*).

(b) A new section 4a is inserted to read as follows:

"Sec. 4a. Conforming amendments.

"(a) Subsection (a)(4) of section 20 of chapter II of the Life Insurance Act, approved June 19, 1934 (48 Stat. 1135; D.C. Code § 35-419), is amended to read as follows:

"(4) Is determined, pursuant to the Standards to Identify Insurance Companies Deemed to be in Hazardous Financial Condition Act of 1993, further transaction of business by the company will be hazardous to its policyholders, creditors, or the general public;" New
Section
35-3503.1

Enrolled Original

"(b) The Fire and Casualty Act, approved October 9, 1940 (54 Stat. 1063; D.C. Code § 35-1501 *et seq.*), is amended as follows:

"(1) Section 3(a)(3) of chapter II (D.C. Code § 35-1506(a)(3)) is amended to read as follows:

"(3) Is determined, pursuant to the Standards to Identify Insurance Companies Deemed to be in Hazardous Financial Condition Act of 1993, to be in such condition that further transaction of business by the company will be hazardous to its policyholders, creditors, or the general public;"

"(2) Section 5(a)(1)(D) of chapter II (D.C. Code § 35-1508(a)(1)(D)) is amended to read as follows:

"(D) Is determined, pursuant to the Standards to Identify Insurance Companies Deemed to be in Hazardous Financial Condition Act of 1993, to be in such condition that further transaction of business by the company will be hazardous to its policyholders, creditors, or the general public;"

Sec. 8. Section 7(b)(2) of the Holding Company System Act of 1993, effective October 21, 1993 (D.C. Law 10-44; D.C. Code § 35-3706(b)(2)), is amended by striking the phrase "greater of 10%" and inserting the phrase "lesser of 10%" in its place. Section
35-3706

Sec. 9. Section 7(a) of the Business Transacted with Producer Controlled Insurer Act of 1993, effective October 21, 1993 (D.C. Law 10-52; D.C. Code § 35-4006(a)), is amended by striking the phrase "or reporting loss ratios" and inserting the phrase "reporting loss reserve" in its place. Section
35-4006

Sec. 10. Section 4(b) of the Law on Examinations Act of 1993, effective October 21, 1993 (D.C. Law 10-49; D.C. Code § 35-3603(b)), is amended by striking the phrases "section 27", "D.C. Code § 35-426", "section 36", and "D.C. Code § 35-1540)" and adding the phrases "section 6", "D.C. Code § 35-405)", "section 3", and "D.C. Code § 35-1506)" respectively in their places. Section
35-3603

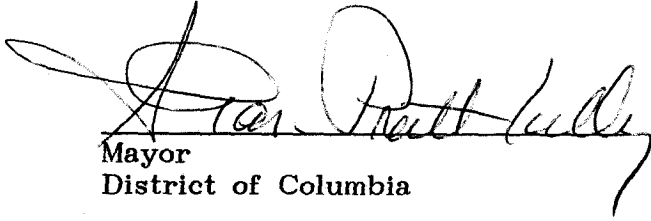
Sec. 11. Effective date.

This act shall take effect after a 30-day period of Congressional review following approval by the Mayor (or in the event of veto by the Mayor, action by the Council of the District of Columbia to override the veto) as provided in section 602(c)(1) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 813; D.C. Code § 1-233(c)(1)), and publication in either the District of Columbia Register, the District

of Columbia Statutes-at-Large, or the District of Columbia Municipal Regulations.



Chairman
Council of the District of Columbia



Mayor
District of Columbia

APPROVED : February 17, 1994



COUNCIL OF THE DISTRICT OF COLUMBIA

Council Period Ten

RECORD OF OFFICIAL COUNCIL VOTE

DOCKET NO: Bill 10-394

[X] Item on Consent Calendar

[X] ACTION & DATE: Adopted First Reading, 1-4-94

[X] VOICE VOTE: Approved

Recorded vote on request

Absent: Evans

[] ROLL CALL VOTE - RESULT

Table with 15 columns: COUNCIL MEMBER, AYE, NAY, N.V., A.B. and 5 rows of member names (CHMN. CLARKE, BARRY, BRAZIL, CHAVOUS, CROPP, EVANS, JARVIS, LIGHTFOOT, MASON, NATHANSON, RAY, SMITH, JR., THOMAS, SR.).

X - Indicates Vote A.B. - Absent N.V. - Present, not voting

CERTIFICATION RECORD

[Signature] Secretary to the Council

January 2, 1994 Date

[X] Item on Consent Calendar

[X] ACTION & DATE: Adopted Final Reading, 2-1-94

[X] VOICE VOTE: Approved

Recorded vote on request

Absent: Barry, Lightfoot, Smith and Thomas

[] ROLL CALL VOTE - RESULT

Table with 15 columns: COUNCIL MEMBER, AYE, NAY, N.V., A.B. and 5 rows of member names (CHMN. CLARKE, BARRY, BRAZIL, CHAVOUS, CROPP, EVANS, JARVIS, LIGHTFOOT, MASON, NATHANSON, RAY, SMITH, JR., THOMAS, SR.).

X - Indicates Vote A.B. - Absent N.V. - Present, not voting

CERTIFICATION RECORD

[Signature] Secretary to the Council

February 2, 1994 Date

[] Item on Consent Calendar

[] ACTION & DATE:

[] VOICE VOTE:

Recorded vote on request

Absent:

[] ROLL CALL VOTE - RESULT

Table with 15 columns: COUNCIL MEMBER, AYE, NAY, N.V., A.B. and 5 rows of member names (CHMN. CLARKE, BARRY, BRAZIL, CHAVOUS, CROPP, EVANS, JARVIS, LIGHTFOOT, MASON, NATHANSON, RAY, SMITH, JR., THOMAS, SR.).

X - Indicates Vote A.B. - Absent N.V. - Present, not voting

CERTIFICATION RECORD

Secretary to the Council

Date