

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: January 30, 1996

SUBJECT: **HB 2019 - SB 2061**

This bill, if enacted, will create the *Risk Based Capital for Insurers Act*, which provides a framework for establishing and using uniform risk based capital and surplus requirements for all insurers doing business in Tennessee. The bill requires insurers to submit yearly reports of their risk based capital, establishes levels at which certain regulatory actions are permitted and required, clarifies the confidentiality policy of the Department of Commerce and Insurance with regard to examination records, and makes minor changes to the Medicare Supplement Act which are required by federal law.

The fiscal impact from enactment of this bill is estimated to be minimal, since the Department of Commerce and Insurance is already reviewing risk based capital filings of insurance companies.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



HB 2019 - SB 2061

James A. Davenport, Executive Director