

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

HOUSE BILL NO. [BILL NUMBER]

Insurance holding company regulations-amendments.

Sponsored by: Joint Corporations, Elections & Political  
Subdivisions Interim Committee

A BILL

for

1 AN ACT relating to the insurance holding company system  
2 regulatory act; specifying requirements regarding group  
3 capital calculations, group capital ratios, liquidity  
4 stress tests, liquidity stress test results, and related  
5 information; amending confidentiality provisions; providing  
6 definitions; requiring rulemaking; and providing for  
7 effective dates.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 26-44-120 is created to read:

12

1           **26-44-120. Authorized use of and prohibited**  
2 **statements regarding group capital calculations, liquidity**  
3 **stress tests and related information.**

4

5           (a) The group capital calculation, including the  
6 group capital ratio produced within the calculation, that  
7 is required to be reported under W.S. 26-44-104(p) and the  
8 liquidity stress test along with its results and supporting  
9 disclosures required under W.S. 26-44-104(q) may be used as  
10 regulatory tools for assessing group risks and capital  
11 adequacy and group liquidity risks, respectively, but shall  
12 not be used to rank insurers or insurance holding company  
13 systems generally.

14

15           (b) Except as authorized in subsection (d) of this  
16 section or as otherwise required in this act, a person  
17 shall not:

18

19           (i) Engage in the making, publishing,  
20 disseminating, circulating or placing before the public, or  
21 causing directly or indirectly to be made, published,  
22 disseminated, circulated or placed before the public;

23

1           (ii) In a newspaper, magazine or other  
2 publication, or in the form of a notice, circular,  
3 pamphlet, letter or poster, or over any radio or television  
4 station or any electronic means of communication available  
5 to the public, or in any other way;

6

7           (iii) An advertisement, announcement or  
8 statement containing a representation or statement with  
9 regard to the group capital calculation, group capital  
10 ratio, liquidity stress test results, or supporting  
11 disclosures for the liquidity stress test of any insurer or  
12 any insurer group, or any component derived in the  
13 calculation by any insurer, broker or other person engaged  
14 in any manner in the insurance business.

15

16           (c) Any action prohibited under subsection (b) of  
17 this section shall be deemed by the commissioner to be  
18 misleading.

19

20           (d) If any materially false statement with respect to  
21 the group capital calculation, group capital ratio,  
22 liquidity stress test result or supporting disclosures for  
23 the liquidity stress test or an inappropriate comparison of

1 any amount to an insurer's or insurance group's group  
2 capital calculation, group capital ratio, liquidity stress  
3 test result or supporting disclosures is published in any  
4 written publication and the insurer is able to demonstrate  
5 to the commissioner with substantial proof the falsity of  
6 the statement or the inappropriateness of the comparison,  
7 then the insurer may publish announcements in a written  
8 publication if the sole purpose of the announcement is to  
9 rebut the materially false statement or inappropriate  
10 comparison.

11

12 **Section 2.** W.S. 26-44-101(a) by creating new  
13 paragraphs (xiv) through (xvii) and amending and  
14 renumbering (xiv) as (xviii), 26-44-104(e) and by creating  
15 new subsections (p) and (q) and 26-44-110(a), (d) and (g)  
16 are amended to read:

17

18 **26-44-101. Definitions.**

19

20 (a) As used in this act:

21

22 (xiv) "Group capital calculation instructions"  
23 means the group capital calculation instructions as adopted

1 by the NAIC and as amended by the NAIC from time to time in  
2 accordance with the procedures adopted by the NAIC;

3  
4 \*\*\*\*\*  
5 \*\*\*\*\*  
6 **STAFF COMMENT**

7  
8 **The incorporation by reference of amendments adopted by the**  
9 **NAIC could constitute an unlawful delegation of legislative**  
10 **authority.**

11  
12 \*\*\*\*\*  
13 \*\*\*\*\*  
14

15 (xv) "NAIC liquidity stress test framework"  
16 means a separate NAIC publication which includes a history  
17 of the NAIC's development of regulatory liquidity stress  
18 testing, the scope criteria applicable for a specific data  
19 year, and the liquidity stress test instructions and  
20 reporting templates for a specific data year, such scope  
21 criteria, instructions and reporting template being as  
22 adopted by the NAIC and as amended by the NAIC from time to  
23 time in accordance with the procedures adopted by the NAIC;

24  
25 (xvi) "Scope criteria," as detailed in the NAIC  
26 liquidity stress test framework, means the designated  
27 exposure bases along with minimum magnitudes thereof for  
28 the specified data year, used to establish a preliminary

1 list of insurers considered scoped into the NAIC liquidity  
2 stress test framework for that data year;

3  
4 (xvii) "Third-party consultant designated by the  
5 commissioner" means any independent or consulting  
6 actuarial, rating or other technical service provider with  
7 whom the commissioner contracts pursuant to W.S. 26-2-  
8 106(d);

9  
10 ~~(xiv)~~ (xviii) "This act" means W.S. 26-44-101  
11 through ~~26-44-119~~ 26-44-120.

12  
13 **26-44-104. Registration of insurers; group capital**  
14 **calculations; liquidity stress test results.**

15  
16 (e) Information need not be disclosed on the  
17 registration statement filed pursuant to subsection (b) of  
18 this section if the information is not material for the  
19 purposes of this section. Unless the commissioner by rule,  
20 regulation or order provides otherwise, sales, purchases,  
21 exchanges, loans or extensions of credit, investments or  
22 guarantees involving one-half of one percent (.5%) or less  
23 of an insurer's admitted assets as of December 31, of the

1 year immediately preceding are not material for purposes of  
2 this section. As used in this subsection, "material" shall  
3 not apply for purposes of the group capital calculation or  
4 the NAIC liquidity stress test framework.

5  
6 (p) Except as otherwise provided in this subsection,  
7 the ultimate controlling person of every insurer subject to  
8 registration under this section shall concurrently file  
9 with the registration an annual group capital calculation,  
10 including the group capital ratio produced within the  
11 calculation, as directed by the lead state commissioner.  
12 The report shall be completed in accordance with the NAIC  
13 group capital calculation instructions, which may permit  
14 the lead state commissioner to allow a controlling person  
15 that is not the ultimate controlling person to file the  
16 group capital calculation. The report shall be filed with  
17 the lead state commissioner of the insurance holding  
18 company system as determined by the commissioner in  
19 accordance with the procedures within the financial  
20 analysis handbook adopted by the NAIC. The following  
21 insurance holding company systems are exempt from filing  
22 the group capital calculation:

23

1           (i) An insurance holding company system that has  
2 only one (1) insurer within its holding company structure,  
3 that only writes business and is only licensed in its  
4 domestic state, and that assumes no business from any other  
5 insurer;

6  
7           (ii) An insurance holding company system that is  
8 required to perform a group capital calculation specified  
9 by the United States federal reserve board. The lead state  
10 commissioner shall request the calculation from the United  
11 States federal reserve board under the terms of information  
12 sharing agreements in effect. If the United States federal  
13 reserve board cannot share the calculation with the lead  
14 state commissioner, the insurance holding company system is  
15 not exempt from the group capital calculation filing;

16  
17           (iii) An insurance holding company system whose  
18 non-United States group wide supervisor is located within a  
19 reciprocal jurisdiction as described in W.S. 26-5-  
20 112(j)(ii) that recognizes the United States state  
21 regulatory approach to group supervision and group capital;

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23           (iv) An insurance holding company system:



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(A) That provides information to the lead state that meets the requirements for accreditation under the NAIC financial standards and accreditation program, either directly or indirectly through the group wide supervisor, who has determined such information is satisfactory to allow the lead state to comply with the NAIC group supervision approach, as detailed in the NAIC financial analysis handbook; and

(B) Whose non-United States group wide supervisor who is not in a reciprocal jurisdiction recognizes and accepts, as specified by the commissioner in regulation, the group capital calculation as the world-wide group capital assessment for United States insurance groups who operate in that jurisdiction.

(v) Notwithstanding paragraphs (iii) and (iv) of this subsection, a lead state commissioner shall require the group capital calculation for United States operations of any non-United States based insurance holding company system where, after any necessary consultation with other supervisors or officials, it is deemed appropriate by the

1 lead state commissioner for prudential oversight and  
2 solvency monitoring purposes or for ensuring the  
3 competitiveness of the insurance marketplace;

4  
5 (vi) Notwithstanding the exemptions from filing  
6 the group capital calculation stated in paragraphs (i)  
7 through (iv) of this subsection, the lead state  
8 commissioner has the discretion to exempt the ultimate  
9 controlling person from filing the annual group capital  
10 calculation or to accept a limited group capital filing or  
11 report in accordance with criteria as specified by the  
12 commissioner in regulation;

13  
14 (vii) If the commissioner determines that an  
15 insurance holding company system no longer meets one (1) or  
16 more of the requirements for an exemption from filing the  
17 group capital calculation under this subsection, the  
18 insurance holding company system shall file the group  
19 capital calculation at the next annual filing date unless  
20 given an extension by the lead state commissioner based on  
21 reasonable grounds shown.

22

1       (g) The ultimate controlling person of every insurer  
2 subject to registration and also scoped into the NAIC  
3 liquidity stress test framework shall file the results of a  
4 specific year's liquidity stress test. The filing shall be  
5 made to the lead state insurance commissioner of the  
6 insurance holding company system as determined by the  
7 procedures within the financial analysis handbook adopted  
8 by the NAIC, subject to the following:

9  
10       (i) The NAIC liquidity stress test framework  
11 shall include scope criteria applicable to a specific data  
12 year. These scope criteria shall be reviewed at least  
13 annually by the financial stability task force or its  
14 successor. Any change to the NAIC liquidity stress test  
15 framework or to the data year for which the scope  
16 criteria are to be measured shall be effective on January 1  
17 of the year following the calendar year when the changes  
18 are adopted. Insurers meeting at least one (1) threshold of  
19 the scope criteria are considered scoped into the NAIC  
20 liquidity stress test framework for the specified data year  
21 unless the lead state insurance commissioner, in  
22 consultation with the NAIC financial stability task force  
23 or its successor, determines the insurer should not be

1 scoped into the framework for that data year. Similarly,  
2 insurers that do not trigger at least one (1) threshold of  
3 the scope criteria shall be considered scoped out of the  
4 NAIC liquidity stress test framework for the specified data  
5 year, unless the lead state insurance commissioner, in  
6 consultation with the NAIC financial stability task force  
7 or its successor, determines the insurer should be scoped  
8 into the framework for that data year;

9  
10 (ii) The performance of, and filing of the  
11 results from, a specific year's liquidity stress test shall  
12 comply with the NAIC liquidity stress test framework's  
13 instructions and reporting templates for that year and any  
14 lead state insurance commissioner determinations, in  
15 conjunction with the financial stability task force or its  
16 successor, provided within the framework.

17  
18 **26-44-110. Confidential treatment.**

19  
20 (a) All information, documents and copies of the  
21 documents and information obtained by or disclosed to the  
22 commissioner or any other person in the course of an  
23 examination made pursuant to W.S. 26-44-109 and all

1 information reported pursuant to W.S. 26-44-103(b)(xii) and  
2 (xiii), 26-44-104 through 26-44-108 and 26-44-119 shall be  
3 confidential, shall not be subject to subpoena and shall  
4 not be disclosed by the commissioner, the National  
5 Association of Insurance Commissioners, or any person,  
6 except as authorized by and in accordance with the  
7 provisions of W.S. 26-2-113(d), without the prior written  
8 consent of the insurer to which the information pertains.  
9 The commissioner, after giving the insurer and its  
10 affiliates notice and opportunity to be heard, may  
11 determine that the interest of policyholders, shareholders  
12 or the public will be served by the publication of the  
13 information, in which event he may publish all or any part  
14 of the information as he deems appropriate, except as  
15 provided in this paragraph. The following shall apply to  
16 information reported and provided to the department of  
17 insurance pursuant to W.S. 26-44-104(p) and (q):

18  
19 (i) For purposes of the information reported and  
20 provided to the department of insurance pursuant to W.S. 26-  
21 44-104(p), the commissioner shall maintain the  
22 confidentiality of the group capital calculation and group  
23 capital ratio produced within the calculation and any group

1 capital information received from an insurance holding  
2 company supervised by the United States federal reserve  
3 board or any United States group wide supervisor;

4  
5 (ii) For purposes of the information reported and  
6 provided to the department of insurance pursuant to W.S. 26-  
7 44-104(q), the commissioner shall maintain the  
8 confidentiality of the liquidity stress test results and  
9 supporting disclosures and any liquidity stress test  
10 information received from an insurance holding company  
11 supervised by the United States federal reserve board and  
12 non-United States group wide supervisors.

13  
14 (d) In addition to any other authorities provided by  
15 law, the commissioner shall enter into written agreements  
16 with the NAIC governing sharing and use of information  
17 provided pursuant to this act consistent with this  
18 subsection which shall:

19  
20 (i) Specify procedures and protocols regarding  
21 the confidentiality and security of information shared with  
22 the NAIC ~~and its affiliates and subsidiaries~~ or a third-  
23 party consultant designated by the commissioner pursuant to

1 this act, including procedures and protocols for sharing by  
2 the NAIC with other state, federal or international  
3 regulators. The agreement shall provide that the recipient  
4 agrees in writing to maintain the confidentiality and  
5 privileged status of the documents, materials or other  
6 information and has verified in writing the legal authority  
7 to maintain such confidentiality;

8  
9 (ii) Specify that ownership of information  
10 shared with the NAIC ~~and its affiliates and subsidiaries~~ or  
11 a third-party consultant designated by the commissioner  
12 pursuant to this act remains with the commissioner and the  
13 NAIC's or a third-party consultant as designated by the  
14 commissioner's use of the information is subject to the  
15 direction of the commissioner;

16  
17 (iii) Require prompt notice to be given to an  
18 insurer whose confidential information in the possession of  
19 the NAIC or a third-party consultant designated by the  
20 commissioner pursuant to this act is subject to a request  
21 or subpoena to the NAIC or a third-party consultant  
22 designated by the commissioner for disclosure or  
23 production; ~~and~~

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(iv) Require the NAIC ~~and its affiliates and subsidiaries~~ or a third-party consultant designated by the commissioner to consent to intervention by an insurer in any judicial or administrative action in which the NAIC ~~and its affiliates and subsidiaries~~ or a third-party consultant designated by the commissioner may be required to disclose confidential information about the insurer shared with the NAIC ~~and its affiliates and subsidiaries~~ or a third-party consultant designated by the commissioner pursuant to this chapter;~~;~~

(v) Excluding documents, material or information reported pursuant to W.S. 26-44-104(q), prohibit the NAIC or third-party consultant designated by the commissioner from storing the information shared pursuant to this act in a permanent database after the underlying analysis is completed;

(vi) For documents, material or information reported pursuant to W.S. 26-44-104(q), in the case of an agreement involving a third-party consultant designated by the commissioner, provide for notification of the identity



1 of the third-party consultant designated by the  
2 commissioner to the applicable insurers.

3

4 (g) Documents, materials or other information in the  
5 possession or control of the NAIC or a third-party  
6 consultant designated by the commissioner pursuant to this  
7 chapter shall be confidential by law and privileged, shall  
8 not be a public record under W.S. 16-4-201 through 16-4-  
9 205, shall not be subject to subpoena and shall not be  
10 subject to discovery or admissible in evidence in any  
11 private civil action.

12

13 **Section 3.** The department of insurance shall  
14 promulgate all rules necessary to implement this act.

15

16 **Section 4.**

17

18 (a) Except as otherwise provided by subsection (b) of  
19 this section, this act is effective July 1, 2025.

20

21 (b) Sections 3 and 4 of this act are effective  
22 immediately upon completion of all acts necessary for a

1 bill to become law as provided by Article 4, Section 8 of  
2 the Wyoming Constitution.

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(END)