

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Friday, February 05, 2016  
**TIME:** Upon Adjournment  
**PLACE:** Room EW41  
**MEMBERS:** Chairman Barbieri, Vice Chairman Clow, Representatives Collins, Crane, Palmer, Thompson, Batt, Hixon, Kauffman, Monks, Anderst, Beyeler, DeMordaunt, Dixon, Troy, Smith, Rusche, Jordan  
**ABSENT/  
EXCUSED:** Representative(s) Crane, Batt, Rusche  
**GUESTS:** Julie Hart, Dave Leroy, American Council of Life Insurers.  
**Chairman Barbieri** called the meeting to order at 11:50 A.M.

**H 432** **Julie Hart**, American Council of Life Insurers presented **H 432** on behalf of ACLI. The legislation will update the current valuation method used for life insurance premiums to Principle Based Reserves. Principle Based Reserves ensures consumers pay the appropriate premiums so reserve levels more accurately reflect risk assumed. Ms. Hart stated all life insurance companies are required to hold financial reserves in order to support payment of policy owner claims. The principle-based reserving method modernizes reserving to ensure the reserve and premiums match the risk being assumed by the insurance company. In answer to a question, **Dave Leroy**, ACLI, responded there is an inconsistency in wording relative to rule vs regulation, but an amendment is not required.

**MOTION:** **Rep. Thompson** made a motion to send **H 432** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Clow** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 12:05 P.M.

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Representative Barbieri  
Chair

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Joyce McKenzie  
Secretary