

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Monday, February 25, 2013

**TIME:** 1:30 P.M.

**PLACE:** Room EW41

**MEMBERS:** Chairman Henderson, Vice Chairman Thompson, Representatives Collins, Crane, Palmer, Barbieri, Batt, Agidius, Clow, Hixon, Kauffman, Monks, Morse, Stevenson, Youngblood, Smith, Rusche, Gannon

**ABSENT/  
EXCUSED:** Chairman Henderson

**GUESTS:** Georgia Sihl, Dept. of Insurance; Paul Jackson, Farmers Insurance Company; Russell Westerberg, Westerberg and Associates; Bolby Cameron, Sullivan and Reberger

**Vice Chairman Thompson** called the meeting to order at 1:31 P.M.

**MOTION:** **Rep. Hixon** made a motion to approve the minutes of February 21, 2013. **Motion carried by voice vote.**

**H 197:** **Tom Donovan**, Department of Insurance, presented **H 197** Insurance Holding Company Systems. He said this legislation would repeal and replace Title 41, Chapter 38 of the Code. He said insurance companies are highly regulated and required to maintain surplus capital, follow unique accounting systems, and must undergo audits and oversight by the Department of Insurance. He said this proposed legislation is based on the National Association of Insurance Commissioners (NAIC) Model Insurance Act. He said this legislation is not related to health care reform nor the Health Insurance Exchange Act. He said the purpose of **H 197** is to protect the solvency of insurance companies, to provide consistency with other states, and to maintain the accreditation status of the Idaho Department of Insurance. He said insurance companies have voiced no objections and cites support of the American Council of Life Insurers. He said the Idaho Department of Insurance feels these changes are necessary to the functioning and effectiveness of its activities, and necessary to maintain accreditation of the Department.

**Georgia Siehl**, Director, Bureau of Insurance Examiners, Department of Insurance, came to the podium to answer questions regarding numbers of insurance holding companies who file forms B and E with the Idaho Department of Insurance each year. She said there are currently six such companies.

**MOTION:** **Rep. Rusche** made a motion to send **H 197** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Reps. Crane, Barbieri, Hixon, Agidius, Stevenson, Monks** and **Palmer** requested to be recorded as voting **NAY**. **Rep. Rusche** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 3:12 P.M.

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Representative Thompson  
Vice Chair

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Catherine Costner  
Secretary