

§6451. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings. [PL 1993, c. 634, Pt. A, §1 (NEW).]

1. Adjusted risk-based capital report. "Adjusted risk-based capital report" means a risk-based capital report that has been adjusted by the superintendent in accordance with section 6452, subsection 3.

[PL 1993, c. 634, Pt. A, §1 (NEW).]

2. Corrective order. "Corrective order" means an order issued by the superintendent specifying corrective actions that the superintendent has determined are required.

[PL 1993, c. 634, Pt. A, §1 (NEW).]

3. Domestic insurer. "Domestic insurer" means any insurance company domiciled in this State.

[PL 1997, c. 81, §1 (AMD).]

4. Foreign insurer. "Foreign insurer" means any insurance company that is authorized to do business in this State under section 404 but is not domiciled in this State.

[PL 1997, c. 81, §1 (AMD).]

4-A. Life or health insurer. "Life or health insurer" means any insurance company described in section 409, subsection 3 and authorized to do business in this State under section 410, or a licensed property and casualty insurer writing only accident and health insurance.

[PL 1997, c. 81, §2 (NEW).]

5. NAIC.

[PL 2021, c. 521, §28 (RP).]

6. Negative trend.

"Negative trend" means:

A. With respect to a life or health insurer, a negative trend over a period of time, as determined in accordance with the trend test calculation included in the risk-based capital instructions; and [PL 2013, c. 238, Pt. D, §1 (NEW).]

B. With respect to a property and casualty insurer, a trend that meets the triggering criteria, as determined in accordance with the trend test calculation included in the risk-based capital instructions. [PL 2013, c. 238, Pt. D, §1 (NEW).]

[PL 2013, c. 238, Pt. D, §1 (RPR).]

6-A. Property and casualty insurer. "Property and casualty insurer" means any insurance company authorized to do business in this State under section 410 except a life or health insurer or single line mortgage guaranty insurer, financial guaranty insurer or title insurer.

[PL 1997, c. 81, §4 (NEW).]

7. Risk-based capital instructions. "Risk-based capital instructions" means the risk-based capital instructions adopted by the NAIC, as such risk-based capital instructions may be amended by the NAIC from time to time in accordance with the procedures adopted by the NAIC.

[PL 1993, c. 634, Pt. A, §1 (NEW).]

8. Risk-based capital level. "Risk-based capital level" means an insurer's company action level risk-based capital, regulatory action level risk-based capital, authorized control level risk-based capital or mandatory control level risk-based capital where:

A. "Company action level risk-based capital" means, with respect to any insurer, the product of 2.0 and its authorized control level risk-based capital; [PL 1993, c. 634, Pt. A, §1 (NEW).]

B. "Regulatory action level risk-based capital" means the product of 1.5 and its authorized control level risk-based capital; [PL 1993, c. 634, Pt. A, §1 (NEW).]

C. "Authorized control level risk-based capital" means the number determined under the risk-based capital formula in accordance with the risk-based capital instructions; and [PL 1993, c. 634, Pt. A, §1 (NEW).]

D. "Mandatory control level risk-based capital" means the product of .70 and the authorized control level risk-based capital. [PL 1993, c. 634, Pt. A, §1 (NEW).]
[PL 1993, c. 634, Pt. A, §1 (NEW).]

9. Risk-based capital plan. "Risk-based capital plan" means a comprehensive financial plan containing the elements specified in section 6453, subsection 2. If the superintendent rejects the risk-based capital plan and it is revised by the insurer, with or without the superintendent's recommendation, the plan is called the revised risk-based capital plan.
[PL 1993, c. 634, Pt. A, §1 (NEW).]

10. Risk-based capital report. "Risk-based capital report" means the report required in section 6452.
[PL 1993, c. 634, Pt. A, §1 (NEW).]

11. Total adjusted capital. "Total adjusted capital" means the sum of:

A. An insurer's statutory capital and surplus; and [PL 1993, c. 634, Pt. A, §1 (NEW).]

B. Such other items, if any, as the risk-based capital instructions provide. [PL 1993, c. 634, Pt. A, §1 (NEW).]

[PL 1993, c. 634, Pt. A, §1 (NEW).]

SECTION HISTORY

PL 1993, c. 634, Pt. A, §1 (NEW). PL 1997, c. 81, §§1-4 (AMD). PL 2013, c. 238, Pt. D, §1 (AMD). PL 2021, c. 521, §28 (AMD).

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