

ASSEMBLY BILL

No. 2128

Introduced by Assembly Member Gordon

February 20, 2014

An act to amend Section 926.2 of the Insurance Code, relating to insurer investments.

LEGISLATIVE COUNSEL'S DIGEST

AB 2128, as introduced, Gordon. Insurer investments: community development.

Existing law requires each admitted insurer to provide information by January 1, 2014, to the Insurance Commissioner on all of its community development investments and community development infrastructure investments, as defined, in California. The commissioner and the Department of Insurance are required to provide certain information on these investments to the public, as specified, by May 31, 2014, and biennially with regard to green investments. These provisions are to remain in effect only until January 1, 2015, and are repealed as of that date.

This bill would extend the repeal date to January 1, 2020.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 926.2 of the Insurance Code is amended
2 to read:
3 926.2. (a) (1) Each insurer admitted in California shall provide
4 information, by January 1, 2014, to the commissioner on all of its

1 community development investments and community development
2 infrastructure investments in California. This information shall be
3 provided as part of the required filing pursuant to Section 900 or
4 Section 11131, or through a data call, or by other means as
5 determined by the commissioner. COIN shall provide insurers
6 with information on why investments, if any, were found not to
7 be qualified by the commissioner.

8 (2) Nothing in this subdivision shall preclude an insurer that is
9 a member of an insurance holding company system, as defined in
10 Article 4.7 (commencing with Section 1215) of Chapter 2, from
11 complying with paragraph (1) through a single filing on behalf of
12 the entire group of affiliated companies, provided that the data so
13 filed accurately reflects the investments made by each of the
14 affiliates, and accurately attributes, by National Association of
15 Insurance Commissioners (NAIC) number or other identifier
16 required by the commissioner, which of the investments were made
17 by each affiliated company.

18 (3) ~~Nothing in this~~ This subdivision shall *not* preclude an insurer
19 from satisfying the requirements of paragraph (1) through a filing
20 made by a community development financial institution, provided
21 all of the following conditions are met:

22 (A) The insurer has no less than a 10 percent ownership interest
23 in a COIN-certified community development financial institution.

24 (B) The insurer makes community development investments
25 and community development infrastructure investments in and
26 through the community development financial institution.

27 (C) The community development financial institution accurately
28 files the information required by paragraph (1) with the
29 commissioner on behalf of the insurer and accurately attributes,
30 by NAIC number or other identifier required by the commissioner,
31 which investments, including the dollar amounts of the investments,
32 were made by each insurer on whose behalf the community
33 development financial institution is reporting.

34 (b) The commissioner shall, by May 31, 2014, provide
35 information on the department’s Internet Web site on the aggregate
36 insurer community development investments and community
37 development infrastructure investments. Insurers that make
38 investments that are innovative, responsive to community needs,
39 not routinely provided by insurers, qualify as green investments,
40 or have a high degree of positive impact on the economic welfare

1 of low- or moderate-income individuals, families, or communities
2 in urban or rural California shall be identified.

3 (c) The department shall also, by May 31, 2014, provide
4 information on the department's Internet Web site regarding the
5 aggregate amount of California public debt (including all debt
6 issued by the State of California or a California state or local
7 government agency) purchased by insurers as reported to the
8 department in their NAIC annual statement filing pursuant to
9 Section 900 or Section 11131.

10 (d) The department shall also, by May 31, 2014, provide on its
11 Internet Web site the aggregate amount of identified California
12 investments, as reported to the NAIC in the annual statement filed
13 pursuant to Section 900 or Section 11131.

14 (e) The department shall also biennially provide information
15 on its Internet Web site regarding the aggregate amount of
16 identified California insurer investments in green investments.

17 (f) This article shall remain in effect only until January 1, ~~2015~~,
18 2020, and as of that date is repealed, unless a later enacted statute,
19 that is enacted before January 1, ~~2015~~, 2020, deletes or extends
20 that date.