


Councilmember Kenyan R. McDuffie

A PROPOSED RESOLUTION

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To declare the existence of an emergency, due to congressional review, with respect to the need to amend the Law on Credit for Reinsurance Act of 1993 to allow insurers to receive credit when reinsurance is ceded to an assuming insurer that meets certain requirements and grant the Commissioner of the Department of Insurance, Securities, and Banking additional rulemaking authority to implement the new requirements.

RESOLVED, BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this resolution may be cited as the “Credit for Reinsurance Congressional Review Emergency Declaration Resolution of 2022”.

Sec. 2. (a) The Credit for Reinsurance Amendment Act of 2022, passed on 2nd reading on September 20, 2022 (Enrolled version of Bill 24-441) (“permanent act”) amends the Credit for Reinsurance Amendment Act of 1993 to incorporate the most recent National Association of Insurance Commissioner accreditation requirements to allow insurers to receive credit when reinsurance is ceded to an assuming insurer under certain conditions and grant the Commissioner additional rulemaking authority.

(b) Because maintaining accreditation with the National Association of Insurance Commissioners is critical for the District to maintain sovereignty of its insurance regulations and continue to protect the District from potentially dangerous insurance practices, the Council

enacted the Credit for Reinsurance Emergency Amendment Act of 2022, effective July 27, 2022 (D.C. act 24-537; 69 DCR 9951), (“emergency act”) to have the amendments of the permanent act effective law during the period that the permanent act was in the legislative process of becoming law.

(c) The emergency act will expire on October 25, 2022. The permanent act must complete the legislative process, including the 30-day review period required by section 602(c)(1) of the District of Columbia Home Rule Act, approved December 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and will not be law by the expiration of the emergency act.

(d) It is of vital importance that a congressional review emergency be enacted to prevent a gap in the law between the expiration of the emergency act and the effective date of the permanent act.

Sec. 3. The Council of the District of Columbia determines that the circumstances enumerated in section 2 constitute emergency circumstances making it necessary that the Credit for Reinsurance Congressional Review Emergency Amendment Act of 2022 be adopted after a single reading.

Sec. 4. This resolution shall take effect immediately.