

**521A.6B Group-wide supervision of internationally active insurance groups.**

1. *a.* The commissioner may act as the group-wide supervisor of an internationally active insurance group in accordance with the provisions of [this section](#). However, the commissioner may authorize another regulatory official to act as the group-wide supervisor where the internationally active insurance group meets any of the following conditions:

- (1) Does not have substantial insurance operations in the United States.
- (2) Has substantial insurance operations in the United States, but not in Iowa.
- (3) Has substantial insurance operations in the United States and in Iowa, but the commissioner has determined pursuant to the factors set forth in [subsections 2 and 6](#) that another regulatory official is the appropriate group-wide supervisor.

*b.* In response to a request from an insurance holding company system that does not otherwise qualify as an internationally active insurance group, the commissioner may make a determination of or acknowledge a group-wide supervisor for such an insurance holding company system pursuant to [this section](#).

2. *a.* In cooperation with other state, federal, and international regulatory agencies, the commissioner shall identify a single group-wide supervisor for an internationally active insurance group. The commissioner may determine that the commissioner is the appropriate group-wide supervisor for an internationally active insurance group that conducts substantial insurance operations concentrated in this state, or the commissioner may acknowledge that a regulatory official from another jurisdiction is the appropriate group-wide supervisor for the internationally active insurance group. In making a determination or acknowledgment under this paragraph “*a*”, the commissioner shall consider the following factors:

(1) The place of domicile of the insurers within the internationally active insurance group that hold the largest share of the group’s written premiums, assets, or liabilities.

(2) The place of domicile of the top-tiered insurers in the insurance holding company system of the internationally active insurance group.

(3) The location of the executive offices or largest operational offices of the internationally active insurance group.

(4) Whether another regulatory official is acting as or is seeking to act as the group-wide supervisor of the internationally active insurance group under a regulatory system that the commissioner determines to be either of the following:

- (a) Substantially similar to the system of regulation provided under the laws of this state.
- (b) Otherwise sufficient in terms of providing for group-wide supervision, enterprise risk analysis, and cooperation with other regulatory officials.

(5) Whether another regulatory official acting as or seeking to act as the group-wide supervisor for the internationally active insurance group provides the commissioner with reasonably reciprocal recognition and cooperation.

*b.* Notwithstanding paragraph “*a*”, even if the commissioner is identified pursuant to [this subsection](#) as the group-wide supervisor of an internationally active insurance group, the commissioner may determine that it is appropriate to acknowledge another regulatory official to serve as the group-wide supervisor of the internationally active insurance group.

*c.* The acknowledgment of a group-wide supervisor pursuant to [this subsection](#) shall be made after consideration of the factors listed in paragraph “*a*”, subparagraphs (1) through (5), and shall be made in cooperation with and subject to the acknowledgment of other regulatory officials involved with supervision of members of the internationally active insurance group, and in consultation with the internationally active insurance group.

3. Notwithstanding any other provision of law, when another regulatory official is acting as the group-wide supervisor of an internationally active insurance group, the commissioner shall acknowledge that regulatory official as the group-wide supervisor of the internationally active insurance group. However, the commissioner shall make a new determination or acknowledgment as to the appropriate group-wide supervisor for the internationally active insurance group in the event that a material change in the internationally active insurance group results in either of the following:

*a.* The internationally active insurance group’s insurers domiciled in Iowa holding the largest share of the group’s premiums, assets, or liabilities.

b. Iowa being the place of domicile of the top-tiered insurers in the insurance holding company system of the internationally active insurance group.

4. Pursuant to [section 521A.6](#), the commissioner is authorized to collect from any insurer registered pursuant to [section 521A.4](#) all information necessary to determine whether it is appropriate for the commissioner to act as the group-wide supervisor of an internationally active insurance group or to acknowledge another regulatory official to act as the group-wide supervisor of the internationally active insurance group. Prior to issuing a determination or acknowledgment pursuant to [this section](#), the commissioner shall notify the insurer registered pursuant to [section 521A.4](#) and the ultimate controlling person within the internationally active insurance group of the pending determination or acknowledgment. The insurer and the internationally active insurance group shall have not less than thirty days to provide the commissioner with additional information pertinent to the commissioner's pending determination or acknowledgment. The commissioner shall publish the identity of the internationally active insurance groups that the commissioner has determined are subject to group-wide supervision by the commissioner.

5. If a determination is made that the commissioner is the appropriate group-wide supervisor for an internationally active insurance group, the commissioner is authorized to engage in any of the following group-wide supervision activities:

a. Assessing the enterprise risks within the internationally active insurance group to ensure all of the following:

(1) That the material financial condition and liquidity risks to members of the internationally active insurance group that are engaged in the business of insurance are identified by management.

(2) That reasonable and effective mitigation measures are in place.

b. Requesting, from any member of an internationally active insurance group subject to the commissioner's group-wide supervision, information necessary and appropriate to assess enterprise risk, including but not limited to information about the members of the internationally active insurance group regarding all of the following:

(1) Governance, risk assessment, and management.

(2) Capital adequacy.

(3) Material intercompany transactions.

c. Coordinating and, through the authority of the regulatory officials of the jurisdictions where members of the internationally active insurance group are domiciled, compelling the development and implementation of reasonable measures designed to ensure that the internationally active insurance group is able to timely recognize and mitigate enterprise risks to members of the internationally active insurance group that are engaged in the business of insurance.

d. Communicating with other state, federal, and international regulatory agencies for members within the internationally active insurance group and sharing relevant information, subject to the confidentiality provisions of [section 521A.7](#), through supervisory colleges as set forth in [section 521A.6A](#) or otherwise.

e. Entering into agreements with or obtaining documentation from any insurer registered under [section 521A.4](#), any member of an internationally active insurance group, and any other state, federal, or international regulatory agency for members of the internationally active insurance group, that provides the basis for or otherwise clarifies the commissioner's role as group-wide supervisor of an internationally active insurance group, including provisions for resolving disputes with other regulatory officials. Such agreements or documentation shall not serve as evidence in any proceeding that any insurer or person within an insurance holding company system not domiciled or incorporated in this state is doing business in this state or is otherwise subject to jurisdiction in this state.

f. Other activities of group-wide supervision, consistent with the authority and purposes set forth in [this section](#), as considered necessary by the commissioner.

6. If the commissioner acknowledges that another regulatory official from a jurisdiction that is not accredited by the national association of insurance commissioners is the group-wide supervisor of an internationally active insurance group, the commissioner

may reasonably cooperate through a supervisory college or otherwise, with group-wide supervision undertaken by that regulatory official provided that all of the following occur:

a. The commissioner's cooperation is in compliance with the laws of this state.

b. The regulatory official acknowledged as the group-wide supervisor of the internationally active insurance group also recognizes and cooperates with the commissioner's activities as a group-wide supervisor for other internationally active insurance groups, where applicable. If such recognition and cooperation is not reasonably reciprocal, the commissioner may refuse recognition and cooperation to that regulatory official.

7. The commissioner is authorized to enter into agreements with or obtain documentation from any insurer registered under [section 521A.4](#), any affiliate of the insurer, and any other state, federal, or international regulatory agency for members of the internationally active insurance group, that provides the basis for or otherwise clarifies another regulatory official's role as group-wide supervisor of an internationally active insurance group.

8. An insurer registered under [section 521A.4](#) that is subject to [this section](#) shall be liable for and shall pay the reasonable expenses of the commissioner's participation in the administration of [this section](#), including the engagement of attorneys, actuaries, accountants, and other experts not otherwise a part of the commissioner's staff and all reasonable travel expenses. Any persons so retained shall be under the direction and control of the commissioner and shall act in a purely advisory capacity.

9. The commissioner shall adopt rules pursuant to [chapter 17A](#) to administer [this section](#).

[2016 Acts, ch 1122, §10](#); [2016 Acts, ch 1138, §26](#)

Referred to in [§521A.1](#), [521A.7](#)