AMENDMENT TO H.R. 5792

OFFERED BY MR. MOORE OF KANSAS

Strike paragraph (3) of section 2 (page 2, lines 14 through 19).

Page 4, strike line 23 and all that follows through page 5, line 4, and insert the following:

1   "(8) 'commercial property insurance' means in-
2   surance that indemnifies a business, non-profit orga-
3   nization, or governmental entity for damage to, theft
4   of, or destruction of real property or business prop-
5   erty, including insurance that indemnifies a busi-
6   ness, non-profit organization, or governmental entity
7   for damage to, theft of, or destruction of furniture,
8   fixtures, and inventory, from any and all perils or
9   causes of loss and against consequential loss or dam-
10   age, including business interruption, other than non-
11   contractual legal liability for such loss or damage.".

Page 8, line 11, strike "which, prior to providing coverage for commercial property insurance, is" and insert "which is".

Page 8, line 23, strike "which, prior to providing coverage for commercial property insurance, is" and insert "which is".

Page 9, line 13, strike "members" and insert "members, provided that such State may waive such standards for a risk retention group if such group is organized as a charitable risk pool under section 501(n) of the Internal Revenue Code of 1986 and such group demonstrates that it is impracticable for such group to meet such standards".

Page 11, line 2, strike "domestic regulator, at least annually" and insert "domestic regulator not later than October 1 of each year".

Page 18, line 20, insert "to its domestic regulator" after "standards".

Page 19, line 21, insert "investment" after "group".

Strike section 6 (Page 20, lines 17 through 24).

Strike section 10 (Page 23, line 8 through page 24, line 3) and insert the following:

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SEC. 10. STUDY AND REPORT ON STATE EXTRA-TERRI-
TORIAL REGULATION OF RISK RETENTION
GROUPS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study to examine—

(1) whether there are instances where a State has attempted to unlawfully regulate, directly or indirectly, the operation of a risk retention group that is not chartered in such State through a unilateral cease and desist order or other means;

(2) costs to risk retention groups associated with State actions referred to in paragraph (1), including legal fees and cessation of business operations;

(3) the ability of a risk retention group to pay for fees associated with challenging a State other than the State in which such risk retention group is chartered that violate the Liability Risk Retention Act of 1986 (15 U.S.C. 3901 et seq.) by applying the laws of such State in an extra-territorial manner; and

(4) possible legislative solutions that would—

(A) reinforce and underscore the foundation of the Liability Risk Retention Act of 1986 (15 U.S.C. 3901 et seq.), which exempts risk retention groups and risk purchasing groups

1   from laws of a State other than their chartering

2   State except as provided in such Act; and

3   (B) reduce or eliminate legal fees if a par-

4   ticular risk retention group proves its case in a

5   State of Federal court of competent jurisdic-

6   tion.

7   (b) REPORT.—Not later than one year after the date

8 of the enactment of this Act, the Comptroller General of

9 the United States shall submit to the Committee on Bank-

10 ing, Housing, and Urban Affairs of the Senate and the

11 Committee on Financial Services of the House of Rep-

12 resentatives a report containing—

13   (1) the results of the study under paragraph

14   (1); and

15   (2) any recommendations for legislative, regu-

16   latory, administrative, or other actions at the Fed-

17   eral level that Congress should consider to ensure

18   that States do not inappropriately or unlawfully reg-

19   ulate, directly or indirectly, risk retention groups or

20   risk purchasing groups in an extra-territorial man-

21   ner precluded by sections 3 and 4 of the Liability

22   Risk Retention Act of 1986 (15 U.S.C. 3902 and

23   3903).

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