Texas has reviewed the exposure and recommends the following changes:

- incorporating the confidentiality section 8.2 into Section 8, similar to what was done in the re-exposure of the Model 440 edits for the GCC, to align the confidentiality provisions as closely as possible to those established for the ORSA filings,
- considering the liquidity stress testing an additional type of enterprise risk filing that could be reflected in Section 4L versus in the new Section 4M, and
- defining “Scope Criteria” because it is a capitalized term that is intended to mean something specific.

We are also concerned that as exposed the modifications raise the issue of incorporation by reference. If certain companies will be required to make filings in a specific format using specific assumptions, those requirements must be adopted by the states to provide adequate notice to affected and interested stakeholders. Therefore, we would recommend that the model incorporate language indicating that the commissioner shall adopt by rule the NAIC Liquidity Stress Test Framework, including the version of the publication that those subject to the filings must use when compiling the filings. We will also note that the information in the publication must be finalized by the NAIC in time to allow states to adopt the publication and for affected companies to have adequate time to complete the filings.

We are happy to work with NAIC staff to address these issues.

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