

shall be valued on its books as of [the 31st day of] 31 December of each year at an amount that will include a write-down of the cost of such property, excluding land cost but including all improvements or developments costs, at a rate that will average not less than [two] 2 percent per annum of such cost for each year or part thereof that the property has been so held, and be it further provided that the admitted values of such properties shall not exceed their depreciated values.

The entire reserves of a domestic life insurance company, as used in this section, shall be the sum of:

Net present value of all outstanding policies in force (less reinsurance); reserves for accidental death benefits and total and permanent disability benefits (less reinsurance); present value of supplementary contracts and including dividends left with the company to accumulate at interest; liability on policies cancelled and not included in "net reserve" upon which a surrender value may be demanded, and policy claims and losses outstanding; any additional reserves which may be reasonably required by the Commissioner on account of such insurance; less amount of net uncollected and deferred premiums.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1979.

Approved May 29, 1979.

CHAPTER 463

{Senate Bill 541}

AN ACT concerning

Life Insurance - Reserve Investments

FOR the purpose of providing that the amount a life insurance company may invest in first mortgage loans, or deeds of trust, is an amount not exceeding a certain percent of the fair market value on all forms of such fee-simple or improved leasehold real estate; and increasing the maximum time period for amortization of such loans; and relating generally to investments by life insurance companies with respect to loans secured by first mortgages or deed of trust on certain real estate.

BY repealing and reenacting, with amendments,

Article 48A - Insurance Code
Section 96(7)