

By Mr. Walsh of Agawam, petition of Michael P. Walsh for legislation to further regulate the acquisition of capital stock by life insurance companies. Insurance.

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**The Commonwealth of Massachusetts**

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In the Year One Thousand Nine Hundred and Ninety.

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**AN ACT FURTHER REGULATING THE ACQUISITION OF CAPITAL STOCK BY LIFE INSURANCE COMPANIES.**

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Section 66D of chapter 175 of the General Laws,  
2 as appearing in the 1988 Official Edition, is hereby amended by  
3 striking out the first sentence and inserting in place thereof the  
4 following sentence: — A domestic life company may invest in,  
5 acquire and hold fifty-one per cent or more the capital stock of  
6 any corporation as a subsidiary which is: a corporation providing  
7 investment advisory or management services; a corporation  
8 providing sales services to an investment company; a real property  
9 holding, developing, managing or leasing corporation; a data  
10 processing or computer service corporation; or a corporation  
11 whose business has been approved by the Commissioner as a  
12 complementary or supplementary to the business of a domestic  
13 life company; provided, however, that such percentage of capital  
14 stock made with the approval of the Commissioner be less than  
15 fifty-one, excepting (1) an insurance company authorized to  
16 transact in the Commonwealth to business set forth in the first,  
17 second, third, fourth, fifth or eighth clause of section forty-seven,  
18 and (2) a corporation licensed by the Commonwealth as an  
19 insurance agent or insurance broker for any business set forth in  
20 said clauses.

1 SECTION 2. This act shall take effect upon its passage.

