

**Bill Summary**  
1<sup>st</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1069</b>
<b>Version:</b>	<b>FS</b>
<b>Request No.:</b>	<b>2046</b>
<b>Author:</b>	<b>Sen. Montgomery</b>
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**Bill Analysis**

SB 1069 provides that no person shall be stayed or prohibited from exercising a contractual right to cause termination, liquidation, acceleration, or closeout of obligations under or in connection with any netting agreement or qualified financial contract with an insurer due to insolvency or the commencement of a formal delinquency proceeding. Any person shall also be guaranteed the right to exercise a contractual right in any security agreement or arrangement or other credit enhancement relating to one or more netting agreements or qualified financial contracts, set off or net out any termination value, and certain proceedings. The measure outlines how parties shall determine the amount owed by a non-defaulting party after the termination of a netting agreement or qualified financial contract. The measure outlines the responsibilities of the receiver in the transfer of a netting agreement or qualified financial contract of an insurer subject to a proceeding.

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