

Commonwealth of Puerto Rico
OFFICE OF THE COMMISSIONER OF INSURANCE
P. O. Box 11217 - Fdez. Juncos Sta.
Santurce, Puerto Rico 00910

Circular Letter T-9-427-68
September 9, 1968

Dear Commissioner:

Section 1223 (a) (1) of the Housing and Urban Development Act of 1968, Public Law 90-448, reads:

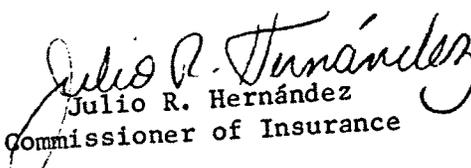
"Sec. 1223. (a) Subject to the provisions of subsection (b), reinsurance shall not be offered by the Secretary in a State or be applicable to insurance policies written in that State by an insurer--

"(1) after one year following the date of the enactment of this title, or, if the appropriate State legislative body has not met in regular session during that year, by the close of its next regular session, in any State which has not adopted appropriate legislation, retroactive to the date of the enactment of this title, under which the State, its political subdivisions, or a governmental corporation or fund established pursuant to State law, will reimburse the Secretary, in an amount up to 5 per centum of the aggregate property insurance premiums earned in that State during the preceding calendar year on those lines of insurance reinsured by the Secretary in that State during the current year, such that the Secretary may be reimbursed for amounts paid by him in respect to reinsured losses that occurred in that State during a calendar year in excess of (A) reinsurance premiums received in that State during the same calendar year plus (B) the excess of (i) the total premiums received by the Secretary for reinsurance in that State during a preceding period measured from the end of the most recent calendar year with respect to which the Secretary was reimbursed for losses under this title over (ii) any amounts paid by the Secretary for reinsured losses that occurred during this same period...

It will be appreciated if you will inform us what steps have been taken by your Department to comply with this requirement. If legislation has been passed or is under consideration, please send us a copy.

Your assistance in providing us with this information shall be appreciated.

Cordially yours,


Julio R. Hernández
Commissioner of Insurance