

standards for solvency.

SENATOR BEUTLER: If three or four actuaries are doing a study with the same material, following generally accepted accounting principles, will they all come to the same conclusion?

SENATOR LANDIS: Ask me that one more time.

SENATOR BEUTLER: If three or four different actuaries were doing a study using the same materials, would they all come to the same conclusion, if they were using generally accepted accounting principles?

SENATOR LANDIS: I can't tell you that it would be true to the last dollar, but the general...the general answer is yes. The general accounting principles offers a textbook way of doing business. And when one signs, as an actuary, or as an accountant, as a CPA, you are certifying that you have followed that standard set of practices. There are deviations, sometimes...

PRESIDENT MOUL: One minute.

SENATOR LANDIS: ...made, and perhaps you've seen them on a prospectus, or on an annual report in which certain optional choices of definitions are used, but they're almost always annotated with the accountant identifying those on the face of the document. But it is a body of technical methods for dealing with accounting principles. It's a textbook-cookbook kind of body of work. It's not magic, it's not art, it is science.

SENATOR BEUTLER: Okay, thank you.

PRESIDENT MOUL: Thank you, Senator Beutler. Senator Hall.

SENATOR HALL: Thank you, Madam President and members. I think, basically, the questions I was going to ask Senator Landis, with regard to the amendment, Senator Beutler touched on. My concern would be specifically with the issue of the term obligated as it's laid out in line 12 of the amendment, subsection (3), where it says, an insurer shall pay claims for which it is obligated, under excess insurance, within three months. Senator Landis, just for purposes of clarification, are we talking about from the point in time that the obligation is, I guess, accepted, or where it is agreed to? My concern is that when does the clock