

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 SENATE BILL 199

By: Thompson

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5
6 AS INTRODUCED

7 An Act relating to rebate for insurer assessment;
8 amending 36 O.S. 2011, Section 1501, which relates to
9 determination of insurer assets; conforming language;
10 repealing 68 O.S. 2011, Sections 6101 and 6102, which
11 relate to rebate for certain insurer assessment;
12 making language gender neutral; and declaring an
13 emergency.

14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 36 O.S. 2011, Section 1501, is
16 amended to read as follows:

17 Section 1501. In any determination of the financial condition
18 of an insurer, there shall be allowed as assets only such assets as
19 are owned by the insurer and which consist of:

20 1. Cash in the possession of the insurer, or in transit under
21 its control, and including the true balance of any deposit in a
22 solvent bank or trust company.

23 2. Investments, securities, properties and loans acquired or
24 held in accordance with this Code, and in connection therewith the
25 following items:

1 (a) Interest due or accrued on any bond or evidence of
2 indebtedness which is not in default and which is not valued on a
3 basis including accrued interest.

4 (b) Declared and unpaid dividends on stock and shares, unless
5 such amount has otherwise been allowed as an asset.

6 (c) Interest due or accrued upon a collateral loan in an amount
7 not to exceed one (1) year's interest thereon.

8 (d) Interest due or accrued on deposits in solvent banks and
9 trust companies, and interest due or accrued on other assets, if
10 such interest is in the judgment of the Insurance Commissioner a
11 collectible asset.

12 (e) Interest due or accrued on a mortgage loan, in an amount not
13 exceeding in any event the amount, if any, of the excess of the
14 value of the property less delinquent taxes thereon over the unpaid
15 principal; but in no event shall interest accrued for a period in
16 excess of eighteen (18) months be allowed as an asset.

17 (f) Rent due or accrued on real property if such rent is not in
18 arrears for more than three (3) months, and rent more than three (3)
19 months in arrears if the payment of such rent be adequately secured
20 by property held in the name of the tenant and conveyed to the
21 insurer as collateral.

22 (g) The unaccrued portion of taxes paid prior to the due date on
23 real property.

1 3. Premium notes, policy loans, and other policy assets and
2 liens on policies and certificates of life insurance and annuity
3 contracts and accrued interest thereon, in an amount not exceeding
4 the legal reserve and other policy liabilities carried on each
5 individual policy.

6 4. The net amount of uncollected and deferred premiums and
7 annuity considerations in the case of a life insurer.

8 5. Premiums in the course of collection, other than for life
9 insurance, not more than three (3) months past due, less commissions
10 payable thereon. The foregoing limitation shall not apply to
11 premiums payable directly or indirectly by the United States
12 government or by any of its instrumentalities.

13 6. Installment premiums other than life insurance premiums to
14 the extent of the unearned premium reserves carried thereon.

15 7. Notes and like written obligations not past due, taken for
16 premiums other than life insurance premiums, on policies permitted
17 to be issued on such basis, to the extent of the unearned premium
18 reserves carried thereon.

19 8. The full amount of reinsurance recoverable by a ceding
20 insurer from a solvent reinsurer and which reinsurance is authorized
21 under Section 711 of Article 7 (Kinds of Insurance; Reinsurance;
22 Limits of Risk).

23 9. Amounts receivable by an assuming insurer representing funds
24 withheld by a solvent ceding insurer under a reinsurance treaty.

1 10. Deposits or equities recoverable from underwriting
2 associations, syndicates and reinsurance funds, or from any
3 suspended banking institution, to the extent deemed by the Insurance
4 Commissioner available for the payment of losses and claims and at
5 values to be determined by him or her.

6 11. All assets, whether or not consistent with the provisions
7 of this section, as may be allowed pursuant to the annual statement
8 form approved by the national association of insurance commissioners
9 for the kinds of insurance to be reported upon therein.

10 ~~12. Rebates determined and accrued pursuant to Section 2 of~~
11 ~~this act.~~

12 ~~13.~~ Other assets, not inconsistent with the provisions of this
13 section, deemed by the Insurance Commissioner to be available for
14 the payment of losses and claims, at values to be determined by the
15 Commissioner.

16 SECTION 2. REPEALER 68 O.S. 2011, Sections 6101 and
17 6102, are hereby repealed.

18 SECTION 3. It being immediately necessary for the preservation
19 of the public peace, health or safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

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