

1 ENGROSSED SENATE
2 BILL NO. 979

By: Quinn and Simpson of the
Senate

3 and

4 Sneed of the House

5
6 An Act relating to insurance; amending 36 O.S. 2021,
7 Section 607, which relates to general qualifications
8 to transact insurance; providing that certain
9 insurance companies and entities may apply for
10 certain certificates of authority under certain
11 circumstances; requiring certain companies and
12 entities to establish a regional home office with
13 certain employees; requiring certain companies and
14 entities to maintain security deposits; and providing
15 an effective date.

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

17 SECTION 1. AMENDATORY 36 O.S. 2021, Section 607, is
18 amended to read as follows:

19 Section 607. A. To qualify for and hold authority to transact
20 insurance in Oklahoma an insurer must be otherwise in compliance
21 with the provisions of this Code and with its charter powers, and
22 must be an incorporated stock insurer, an incorporated mutual
23 insurer, a mutual benefit association, a nonprofit hospital service
24 and medical indemnity corporation, a farmers mutual fire insurance
association, a Lloyd's association or a reciprocal insurer, of the
same general type as may be formed as a domestic insurer under this
Code; except, that no foreign or alien insurer shall be authorized

1 to transact insurance in Oklahoma which does not maintain reserves
2 as required by Article 15 of this Code applicable to the kind or
3 kinds of insurance transacted by such insurer.

4 B. No certificate of authority or license to transact any kind
5 of direct insurance business in this state shall be issued, renewed
6 or continued in effect, to any domestic, foreign or alien insurance
7 company or other insurance entity which is owned or financially
8 controlled in whole or in part by another state of the United
9 States, or by a foreign government, or by any political subdivision
10 of either, or which is an agency of any such state, government or
11 subdivision.

12 C. A domestic, foreign, or alien insurance company, or entity
13 thereof which is owned or financially controlled in whole or in part
14 by another state of the United States, a foreign government, or any
15 political subdivision thereof, or which is an agency of any such
16 state, government, or subdivision may apply only for a certificate
17 of authority as a reinsurer. Such insurance company or entity shall
18 establish and maintain a regional home office in this state, in a
19 building owned or leased by the insurer, that employs Oklahoma
20 employees as defined pursuant to Section 625.1 of this title.
21 Insurance companies or entities obtaining a certificate of authority
22 under this subsection shall maintain security deposits pursuant to
23 this code in a bank as defined pursuant to Section 102 of Title 6 of
24 the Oklahoma Statutes.

1 D. Any insurance company or other insurance entity which is
2 owned or financially controlled in whole or in part by any federally
3 recognized American Indian tribe or nation may apply for a
4 certificate of authority or license to transact insurance business
5 in this state and will not be subject to subsection B of this
6 section.

7 SECTION 2. This act shall become effective November 1, 2022.

8 Passed the Senate the 24th day of March, 2022.

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Presiding Officer of the Senate

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12 Passed the House of Representatives the ____ day of _____,
13 2022.

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Presiding Officer of the House
of Representatives

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