

An Act

ENROLLED SENATE
BILL NO. 979

By: Quinn and Simpson of the
Senate

and

Sneed of the House

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

SUBJECT: Reinsurer insurance

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

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

Section 607. A. To qualify for and hold authority to transact insurance in Oklahoma an insurer must be otherwise in compliance with the provisions of this Code and with its charter powers, and must be an incorporated stock insurer, an incorporated mutual insurer, a mutual benefit association, a nonprofit hospital service 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 to transact insurance in Oklahoma which does not maintain reserves

as required by Article 15 of this Code applicable to the kind or kinds of insurance transacted by such insurer.

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

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

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

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

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

Presiding Officer of the Senate

Passed the House of Representatives the 27th day of April, 2022.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____