

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 57th Legislature (2020)

4 ENGROSSED SENATE  
5 BILL NO. 199

By: Thompson of the Senate

and

Wallace of the House

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9 An Act relating to rebate for insurer assessment;  
10 amending 36 O.S. 2011, Section 1501, which relates to  
11 determination of insurer assets; conforming language;  
12 limiting time period during which rebate application  
13 may be accepted; making language gender neutral;  
14 repealing 68 O.S. 2011, Sections 6101 and 6102, which  
15 relate to rebate for certain insurer assessment;  
16 providing for noncodification; and declaring an  
17 emergency.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

18 SECTION 2. NEW LAW A new section of law not to be  
19 codified in the Oklahoma Statutes reads as follows:

20 No application for a rebate of a portion of the assessment made  
21 pursuant to Section 31 of Title 85A of the Oklahoma Statutes shall  
22 be accepted by the Oklahoma Tax Commission after June 30, 2019.

23 SECTION 3. REPEALER 68 O.S. 2011, Sections 6101 and  
24 6102, are hereby repealed.

1       SECTION 4. It being immediately necessary for the preservation  
2 of the public peace, health or safety, an emergency is hereby  
3 declared to exist, by reason whereof this act shall take effect and  
4 be in full force from and after its passage and approval.

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6 DIRECT TO CALENDAR.  
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