

BILL SUMMARY
1st Session of the 58th Legislature

Bill No.:	SB 738
Version:	FULLPCS1
Request Number:	7962
Author:	Rep. McEntire
Date:	4/5/2021
Impact:	OID: Minimal State: None

Research Analysis

The PCS to SB 738 modifies conditions that consider an entity an insurer. The PCS specifies that an entity organized for the purpose of transacting insurance that ensures an Oklahoma educational institution will be considered an insurer for all kinds of insurance that the entity transacts. The PCS removes the requirement that the entity must within a twelve-month period receive aggregate premiums of \$1,000,000.

The PCS requires the Insurance Commissioner to serve notice to an insolvent insurer. The insurer must file a written plan of action within thirty days of notification. If the Insurance Commissioner further determines that supervision is necessary, the Commissioner is required to serve notice to the insurer that supervision is required.

The PCS requires compliance from insurers who are insolvent. Insurers must comply with the lawful requirements of the Insurance Commissioner. Insurers will have 90 days from the date of notice to comply unless the Commissioner determines otherwise. The Commissioner is authorized to initiate judicial or administrative proceedings. Additionally, the PCS authorizes the Insurance Commissioner to assess a fine for failure to timely file a written plan of action required by this act in an amount not to exceed five-hundred dollars.

Lastly, the PCS authorizes the Insurance Commissioner to promulgate rules to implement the provisions of this act.

Prepared By: Dan Brooks

Fiscal Analysis

According to officials at the Oklahoma Insurance Department, the Full PCS of SB 738 creates a minimal impact for OID. As OID is a nonappropriated agency though, there should be no fiscal impact to the State.

Prepared By: Mariah Searock

Other Considerations

None.

