

ENROLLED SENATE
BILL NO. 896

By: Stipe of the Senate

and

Settle and Cox of the House

An Act relating to insurance; amending 36 O.S. 1991, Section 2026, which relates to the Board of Directors of the Oklahoma Life and Health Insurance Guaranty Association; restricting source of membership of the Board; providing for filling of vacancies after certain time; providing for calculation of certain totals; prohibiting certain membership representation; deleting obsolete language; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY 36 O.S. 1991, Section 2026, is amended to read as follows:

Section 2026. A. The Board of Directors of the Oklahoma Life and Health Insurance Guaranty Association shall consist of not less than five (5) nor more than nine (9) member insurers serving terms as established in the procedural rules of the Association. A majority of the Board shall be selected from the fifty (50) member insurers which write the largest volume of life and accident and health premiums and annuity considerations for the previous year. The members of the Board shall be selected by member insurers subject to the approval of the Insurance Commissioner. Vacancies on the Board shall be filled for the remaining period of the term by a majority vote of the remaining Board members, subject to the approval of the Commissioner.

B. In calculating total premium for Board qualification purposes, premiums collected by different members of the same multi-insurer group may be attributable to each member of the group; provided, no two members of the same group shall serve on the Board at the same time.

C. In approving selections, the Commissioner shall consider, among other things, whether all member insurers are fairly represented.

D. Members of the Board may be reimbursed according to the provisions of the State Travel Reimbursement Act for expenses incurred by them as members of the Board, but members of the Board

shall not otherwise be compensated by the Association for their services.

SECTION 2. This act shall become effective July 1, 1998.

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