

An Act relating to insurance; amending 36 O.S. 2001, Sections 6453, 6455, 6456, 6457, 6458, 6459, as amended by Section 7, Chapter 150, O.S.L. 2003 and 6462 (36 O.S. Supp. 2003, Section 6459), which relate to the Oklahoma Risk Retention Act; modifying definitions; requiring revisions of plans to be filed; requiring certain records to contain certain information; prohibiting purchasing groups from providing insurance to certain persons; allowing purchasing groups to take certain actions; requiring certain information be contained in notice provided by purchasing groups; making standards applicable to purchasing groups; requiring license to conduct certain activities; creating the Oklahoma Captive Insurance Company Act; defining terms; providing for licensing; requiring certain documentation and fees; providing for renewal; allowing licensing of captive insurance companies; restricting adoption of certain similar names; providing capitalization requirements; requiring certain security for branch captives; restricting payment of certain dividends; requiring certain minimum capital requirements; requiring certain free surplus amounts for captives; requiring incorporation of a captive reinsurance company; providing incorporation requirements and options; requiring certain annual reports; allowing for discount of loss and loss adjustment of expense reserves; requiring inspections and examinations by Insurance Commissioner; providing for confidentiality of reports; providing for application of general provisions; providing for suspension or revocation of license; providing for applicability of investment requirements; allowing loans under certain circumstances; allowing for captive to provide reinsurance; allowing certain captives to not join a rating organization; prohibiting certain captives from participation in plan pool, association, or guaranty; providing tax rates for captives; defining term; providing for levy of tax; allowing for promulgation of rules; providing for applicability of provisions of act to certain reorganizations; creating Captive Insurance Regulatory and Supervision Revolving Fund; preventing use of assets in certain circumstances; requiring certain percentage of assets be managed by person domiciled in state; requiring regulations to set certain standards to ensure risk management control by parent company; providing for conversion of certain stock or mutual corporations into reciprocal insurers; providing for formation of sponsored captive insurance companies; providing for requirements to be a sponsor; allowing certain entities to be sponsors; providing certain terms and conditions to be met by a protected cell; allowing for eligibility of captive insurance company for certificate of authority to act as insurer; providing for codification; and declaring an emergency.