

1 ENGROSSED HOUSE
2 BILL NO. 2021

By: Coody (Jeff) of the House

and

Stanislawski of the Senate

3
4
5
6
7 An Act relating to insurance; authorizing the
8 Insurance Commissioner to participate in a
9 supervisory college; providing powers of the
10 Commissioner with respect to supervisory colleges;
11 requiring registered insurers to pay certain
12 expenses; authorizing participation in a supervisory
college with certain other regulators; authorizing
Commissioner to enter into certain agreements;
providing that certain authority shall not be
delegated; providing for codification; and providing
an effective date.

13
14
15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1656.1 of Title 36, unless there
18 is created a duplication in numbering, reads as follows:

19 A. With respect to any insurer registered under Section 1654 of
20 Title 36 of the Oklahoma Statutes, and in accordance with subsection
21 C of this section, the Insurance Commissioner shall also be
22 authorized to participate in a supervisory college for any domestic
23 insurer that is part of an insurance holding company system with
24 international operations in order to determine compliance by the

1 insurer with Article 16A of Title 36 of the Oklahoma Statutes. The
2 powers of the Commissioner with respect to supervisory colleges
3 include, but are not limited to, the following:

4 1. Initiating the establishment of a supervisory college;

5 2. Clarifying the membership and participation of other
6 supervisors in the supervisory college;

7 3. Clarifying the functions of the supervisory college and the
8 role of other regulators, including the establishment of a group-
9 wide supervisor;

10 4. Coordinating the ongoing activities of the supervisory
11 college, including planning meetings, supervisory activities, and
12 processes for information sharing; and

13 5. Establishing a crisis management plan.

14 B. Each registered insurer subject to this section shall be
15 liable for and shall pay the reasonable expenses of the
16 Commissioner's participation in a supervisory college in accordance
17 with subsection C of this section, including reasonable travel
18 expenses. For purposes of this section, a supervisory college may
19 be convened as either a temporary or permanent forum for
20 communication and cooperation between the regulators charged with
21 the supervision of the insurer or its affiliates, and the
22 Commissioner may establish a regular assessment to the insurer for
23 the payment of these expenses.
24

1 C. In order to assess the business strategy, financial
2 position, legal and regulatory position, risk exposure, risk
3 management and governance processes, and as part of the examination
4 of individual insurers in accordance with Section 1656 of Title 36
5 of the Oklahoma Statutes, the Commissioner may participate in a
6 supervisory college with other regulators charged with supervision
7 of the insurer or its affiliates, including other state, federal,
8 and international regulatory agencies. The Commissioner may enter
9 into agreements in accordance with Section 1657.1 of Title 36 of the
10 Oklahoma Statutes providing the basis for cooperation between the
11 Commissioner and the other regulatory agencies, and the activities
12 of the supervisory college. Nothing in this section shall delegate
13 to the supervisory college the authority of the Commissioner to
14 regulate or supervise the insurer or its affiliates within its
15 jurisdiction.

16 SECTION 2. This act shall become effective November 1, 2015.
17
18
19
20
21
22
23
24

1 Passed the House of Representatives the 4th day of March, 2015.

2
3 _____
4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2015.

6
7
8 _____
9 Presiding Officer of the Senate