

An Act relating to credit for reinsurance; amending 36 O.S. 2011, Sections 5122 and 5123, which relate to credit allowance and securities; modifying requirements to be an accredited reinsurer; clarifying person making certain accreditation; requiring reinsurers to demonstrate financial capacity; modifying terms of financial capacity; updating statutory references; clarifying authority to approve credit for reinsurance; modifying certain deadline date; modifying terms of reporting; decreasing required surplus for certain categories of trusts under certain circumstances; modifying dates and conforming language; specifying when certain credit is allowed; providing insurer requirements for certification; authorizing certain associations to be certified reinsurers; providing requirements for association certification; requiring Insurance Commissioner to publish certain list; requiring certain association to satisfy minimum capital and surplus requirements by certain method; prohibiting certain members of an association from certain conduct; requiring association to provide certain annual certification; requiring Insurance Commissioner to publish list of qualified jurisdictions for certain eligible insurers; providing method for determination of qualified jurisdictions; requiring publication of certain list for consideration by the Insurance Commissioner; specifying certain jurisdictions as qualified; authorizing the Insurance Commissioner to suspend reinsurer certification under certain circumstances; requiring assignment of certain rating; providing method for securing obligations of certified reinsures; providing method for domestic ceding insurers to qualify for certain reinsurance; providing method of securing obligations with certain trust instrument; stating nonapplication of certain surplus requirements; specifying method for reduction of allowable credit when security is insufficient; stating status for certain reinsurers that have certification terminated; defining certain term; providing for certain nonapplication for certain ratings; authorizing certification when applicants are certified under certain jurisdiction; allowing for inactive status; providing requirements; adding reference for credit requirements; deleting certain defined terms; authorizing the Insurance Commissioner to suspend or revoke accreditation and certification; stating procedures; requiring ceding insurers to manage certain reinsurance recoverables; providing procedures; requiring ceding insurers to diversify their reinsurance programs; providing procedures; authorizing the Insurance Commissioner to adopt certain regulations relating to assets, credits and forms of security; clarifying meaning of securities; defining terms; authorizing the Insurance Commissioner to adopt certain rules; stating certain application of rules under certain circumstances; stating nonapplication of rules to certain insurers; clarifying authority to adopt certain regulations; modifying dates of application of certain act; amending

36 O.S. 2011, Section 5124, which relates to rules and regulations; authorizing the Insurance Commissioner to adopt certain rules and regulations; specifying types of regulations; specifying certain dates of treaties; authorizing ceding insurers the use of certain manual information under certain conditions; prohibiting certain regulations; amending 36 O.S. 2011, Section 5125, which relates to application of amendments to act; modifying dates of application of amendments; providing for codification; and providing an effective date.