

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

COMMITTEE SUBSTITUTE
FOR

SENATE BILL 1030

By: Quinn

COMMITTEE SUBSTITUTE

An Act relating to the Oklahoma Insurance Code;
amending 36 O.S. 2011, Section 311.4, as amended by
Section 1, Chapter 275, O.S.L. 2014 (36 O.S. Supp.
2020, Section 311.4), which relates to frequency of
examinations and filing fees; providing deadline for
paying certain fee; establishing civil penalty for
violation; providing enforcement method of penalty;
and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 311.4, as
amended by Section 1, Chapter 275, O.S.L. 2014 (36 O.S. Supp. 2020,
Section 311.4), is amended to read as follows:

Section 311.4. A. Insurers authorized to do business under the
provisions of the Oklahoma Insurance Code shall annually file with
the Insurance Commissioner market conduct annual statements
reporting market conduct data of insurers on the thirty-first day of
December of the previous year. The statements shall report on the
lines of insurance and be in such general form and context as
approved by the National Association of Insurance Commissioners

1 (NAIC), and as supplemented for additional information required by
2 the Insurance Commissioner by rule. The statements shall be
3 prepared in accordance with NAIC instructions, including any
4 supplemental filings described in the NAIC instructions. If no
5 forms or instructions are available from the National Association of
6 Insurance Commissioners, the statements shall be in the form and
7 pursuant to instructions and deadlines as provided by the Insurance
8 Commissioner. Insurers not authorized by the Insurance Commissioner
9 to provide the lines of insurance approved by the National
10 Association or the Insurance Commissioner shall not be required to
11 file market conduct annual statements. For good cause shown, the
12 Insurance Commissioner may extend the time within which market
13 conduct annual statements may be filed. The Insurance Commissioner
14 may provide copies of market conduct annual statements, amendments,
15 and addendums to such statements and market conduct data taken from
16 such statements to the National Association of Insurance
17 Commissioners only if, prior to sharing of the market conduct annual
18 statements, amendments, addendums to such statements or market
19 conduct data taken from such statements, the National Association of
20 Insurance Commissioners enters into a written agreement with the
21 Insurance Commissioner to maintain the confidentiality of the shared
22 information.

23 B. The Insurance Commissioner may adopt rules implementing this
24 section including rules that:

1 1. Add lines of insurance to be reported in market conduct
2 annual statements; and

3 2. Require the filing of market conduct annual statements and
4 any amendments and addendums to such statements with the National
5 Association of Insurance Commissioners, and the payment of
6 applicable filing fees required by the NAIC.

7 C. Insurers shall pay a filing fee of Two Hundred Dollars
8 (\$200.00) to the Insurance Commissioner for the filing of the market
9 conduct annual statement due at the time of filing, in accordance
10 with NAIC filing deadlines.

11 D. No waiver of an applicable privilege or claim of
12 confidentiality in the documents, materials, or other information
13 shall occur as a result of disclosure to the Insurance Commissioner
14 or the Commissioner's designee under this section or as a result of
15 sharing the documents, materials or other information as provided in
16 this section.

17 E. Market conduct annual statements and any amendments and
18 addendums to such statements, filed with the Insurance Commissioner
19 pursuant to this section in electronic format or otherwise, shall be
20 treated as working papers and documents as set out in subsection F
21 of Section 309.4 of this title.

22 F. The Insurance Commissioner may use market conduct annual
23 statements or amendments or addendums to such statements to assist
24 in determining whether a market conduct examination or investigation

1 of an insurer should be conducted. For purposes of completing a
2 market conduct examination of any company under Sections 309.1
3 through 309.7 of this title, the Insurance Commissioner may, in the
4 sole discretion of the Insurance Commissioner, use market conduct
5 annual statements or amendments or addendums to such statements to
6 assist in determining compliance with the laws of this state and
7 rules adopted by the Insurance Commissioner.

8 G. For any violation of this section, the Insurance
9 Commissioner may, after notice and opportunity for a hearing,
10 subject an insurer to a civil penalty of up to One Thousand Dollars
11 (\$1,000.00) for each occurrence. The civil penalty may be enforced
12 in the same manner in which civil judgments may be enforced.

13 SECTION 2. This act shall become effective November 1, 2021.

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