

CHAPTER 19
SENATE BILL No. 50

AN ACT concerning insurance; pertaining to risk-based capital requirements; establishing a trend test calculation; amending K.S.A. 40-2c05 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 40-2c05 is hereby amended to read as follows: 40-2c05. "Company action level event" means any of the following events:

(a) The filing of an RBC report by an insurer which indicates that:

(1) The insurer's total adjusted capital is greater than or equal to its regulatory action level RBC but less than its company action level RBC;

~~or~~

(2) if a life and health insurer has total adjusted capital which is greater than or equal to its company action level RBC but less than the product of its authorized control level RBC and 2.5 and also has a negative trend; *or*

(3) *if a property and casualty insurer has total adjusted capital which is greater than or equal to its company action level RBC but less than the product of its authorized control level RBC and 3.0 and also triggers the trend test calculation included in the RBC instructions as defined in K.S.A. 40-2c01 and amendments thereto.*

(b) The notification by the commissioner to the insurer of an adjusted RBC report that indicates the event described in subsection (a)(1) or (2), unless the insurer challenges the adjusted RBC report pursuant to K.S.A. ~~1999 Supp.~~ 40-2c19, and amendments thereto, and such challenge has not been rejected by the commissioner.

Sec. 2. K.S.A. 40-2c05 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Approved March 27, 2009.
