

40-2c18. Mandatory control level event; commissioner's actions. In the event of a mandatory control level event with respect to: (a) A life and health insurer, the commissioner shall take actions as are necessary to cause the insurer to be placed under regulatory control under K.S.A. 40-3605 et seq., and amendments thereto. In that event, the mandatory control level event shall be deemed sufficient grounds for the commissioner to take action under K.S.A. 40-3605 et seq., and amendments thereto, and the commissioner shall have the rights, powers, and duties with respect to the insurer as are set forth in K.S.A. 40-3605 et seq., and amendments thereto. In the event the commissioner takes actions pursuant to an adjusted RBC report, the insurer shall be entitled to such protections as are afforded to insurers under the provisions of K.S.A. 77-601 et seq., and amendments thereto, pertaining to summary proceedings. Notwithstanding any of the foregoing, the commissioner may forego action for up to 90 days after the mandatory control level event if there is a reasonable expectation that the mandatory control level event may be eliminated within the 90-day period;

(b) A property and casualty insurer, the commissioner shall take such actions as are necessary to place the insurer under regulatory control under K.S.A. 40-3605 et seq., and amendments thereto, or, in the case of an insurer which is writing no business and which is running-off its existing business, may allow the insurer to continue its run-off under the supervision of the commissioner. In either event, the mandatory control level event shall be deemed sufficient grounds for the commissioner to take action under K.S.A. 40-3605 et seq., and amendments thereto and the commissioner shall have the rights, powers and duties with respect to the insurer as are set forth in K.S.A. 40-3605 et seq., and amendments thereto. If the commissioner takes actions pursuant to an adjusted RBC report, the insurer shall be entitled to such protections as are afforded to insurers under the provisions of K.S.A. 77-601 et seq., and amendments thereto, pertaining to summary proceedings. Notwithstanding any of the foregoing, the commissioner may forego action for up to 90 days after the mandatory control level event if there is a reasonable expectation that the mandatory control level event may be eliminated with the 90-day period.

History: L. 1994, ch. 138, § 18; L. 1996, ch. 134, § 7; July 1.