

2018 Kansas Statutes

40-3011. Additional powers of commissioner; revocation of authority; appeals; judicial review; notice of effect of act.

In addition to the duties and powers enumerated in this act: (a) The commissioner shall: (1) Upon request of the board of directors, provide the association with a statement of the premiums in this and any other appropriate state for each member insurer;

(2) when an impairment is declared and the amount of the impairment is determined, serve a demand upon the impaired insurer to make good the impairment within a reasonable time; notice to the impaired insurer shall constitute notice to its shareholders, if any; the failure of the insurer to promptly comply with such demand shall not excuse the association from the performance of its powers and duties under this act;

(3) in any liquidation or rehabilitation proceeding involving a domestic insurer, be appointed as the liquidator or rehabilitator.

(b) The commissioner may suspend or revoke, after notice and hearing in accordance with the provisions of the Kansas administrative procedure act, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative the commissioner may levy a forfeiture on any member insurer which fails to pay an assessment when due. Such forfeiture shall not exceed 5% of the unpaid assessment per month, but no forfeiture shall be less than \$100 per month.

(c) Any action of the board of directors or the association may be appealed to the commissioner by any member insurer if such appeal is taken within 60 days of the final action being appealed. If a member company is appealing an assessment, the amount assessed shall be paid to the association and available to meet association obligations during the pendency of an appeal. If the appeal on the assessment is upheld, the amount paid in error shall be returned to the member insurer.

(d) The liquidator, rehabilitator or conservator of any impaired insurer may notify all interested persons of the effect of this act.

History: L. 1972, ch. 190, § 11; L. 1986, ch. 180, § 9; L. 1986, ch. 318, § 42; L. 1988, ch. 356, § 115; July 1, 1989.