



December 9, 2021

Re: Senate Bill 692 (2013) and Senate Bill 738 (2021)

Dear Superintendent:

As you know, interlocal cooperative organizations that transact insurance with an Oklahoma educational institution are required to file an audited financial statement with the Oklahoma Insurance Department within 180 days after the end of the interlocal's fiscal year (36 O.S. § 607.1). Those statements, when received, are public documents and are posted on the Department's website at [www.oid.ok.gov](http://www.oid.ok.gov).

The audited financial statement must include:

1. The report of an independent certified public accountant in accordance with accounting principles generally accepted in the United States of America;
2. A balance sheet reporting assets, liabilities and equity;
3. A statement of operations;
4. A statement of cash flows;
5. A statement of changes in assets, liabilities and equity; and
6. Footnotes to financial statements.

The information contained in the filed reports may be of assistance to you as you consider your school district's individual insurance situation.

Additionally, SB 738 (2021) now includes a process in which if the Insurance Commissioner has reason to believe that any insurer subject to this section is insolvent, or if any such insurer's condition is such as to render the continuance of its business hazardous to the public or to holders of its policies or certificates of insurance, or it has exceeded its power, or it has failed to comply with the law, or if such insurer gives its consent the Commissioner will take the following actions:

- 1) notify the insurer and its participating members of the Commissioner's determination;
- 2) require the insurer to file with the Department a written plan of action to abate the Commissioner's determination within thirty (30) days of notification; and
- 3) notify the insurer if the Commissioner makes a further determination to supervise pursuant to this section of law.



# OKLAHOMA INSURANCE DEPARTMENT

Insurance Commissioner, Glen Mulready

400 NE 50<sup>th</sup> Street  
Oklahoma City, OK 73105

405.521.2828  
oid.ok.gov

An insurer subject to this section shall comply with the lawful requirements and, if placed under supervision, shall have ninety (90) days from the date of notice, within which to comply with the requirements of the Commissioner unless the Commissioner designates a lesser or greater period of time or unless the Commissioner determines at any time during or after the ninety-day period of time that judicial or administrative proceedings should be initiated to place such insurer in conservation, rehabilitation, or liquidation proceedings or other delinquency proceedings as allowed by law.

We wanted to make you aware of these changes and hope that this additional oversight will be beneficial.

Sincerely,

Glen Mulready  
Insurance Commissioner