

RULE IMPACT STATEMENT

1. Rules

Proposed EMERGENCY rules:

Subchapter 7.	Companies
Part 11.	Credit For Reinsurance
365:25-7-65.	Credit for reinsurance- Reinsurers maintaining trust funds [AMENDED]
365:25-7-66.	Credit for reinsurance required by law [AMENDED]
365:25-7-67.	Asset or reduction from liability for reinsurance ceded to an unauthorized
assuming insurer not meeting the requirements of 365:25-7-62 through 66 and 365:25-7-73 [AMENDED]	
365:25-7-68.	Trust agreements qualified under Section 365:25-7-67 [AMENDED]
365:25-7-70.	Reinsurance contract [AMENDED]
365:25-7-72.	Letters of credit qualified under 365:25-7-67 [AMENDED]
365:25-7-73.	Credit for reinsurance- certified reinsurers [AMENDED]
365:25-7-74.	Credit for reinsurance- reciprocal jurisdiction [NEW]

2. PURPOSE

365:25-7-65.	Updates references and clarifies terminology to be in compliance with
federal requirements	
365:25-7-66.	Updates a reference cited within the regulation
365:25-7-67.	Updates heading, verbiage and citations for compliance
365:25-7-68.	Updates verbiage and citations for compliance
365:25-7-70.	Updates a reference cited within the regulation
365:25-7-72.	Updates a reference cited within the regulation
365:25-7-73.	Updates timeframe from 3 years to 2 years, adds requirement for filings to
be translated into English, and adds a citation for reference	
365:25-7-74.	Adds new regulations related to reciprocal jurisdictions required for
compliance	

3. CLASSES AFFECTED:

- a. Reinsurance Companies
- b. Oklahoma Insurance Department
- c. State of Oklahoma
- d. Insurance Companies

4. COST IMPACTS ON PRIVATE OR PUBLIC ENTITIES:

Little to none

5. CLASSES BENEFITTED:

- a. State of Oklahoma
- b. Insurance companies
- c. Oklahoma Insurance Department
- d. Reinsurance Companies

6. ECONOMIC IMPACT:

Little to none

7. PROBABLE COST TO AGENCY AND EFFECT ON STATE REVENUES:

Little to none

8. SOURCE OF REVENUE:

The changes being proposed do not create or reduce revenue.

9. MEASURES TAKEN TO MINIMIZE COMPLIANCE COSTS:

The proposed changes ensure compliance with a federal treaty and assists the state and the Department from Federal preemption, which could be very costly.

10. EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT:

Little to none.

11. LESS COSTLY/LESS INTRUSIVE METHODS:

None.

12. EFFECT ON PUBLIC HEALTH, SAFETY, AND ENVIRONMENT IF RULE NOT IMPLEMENTED:

If the proposed emergency rule is not adopted, the Oklahoma Credit for Reinsurance laws and measures will not be in compliance with a Federal Treaty and will therefore be preempted by the Federal Government.

13. EFFECT ON SMALL BUSINESS:

Little to none.

14. DATE PREPARED:

April 21, 2022