



Ohio Revised Code

Section 3901.76 Security valuation expense fund.

Effective: September 1, 2002

Legislation: Senate Bill 129 - 124th General Assembly

As used in this section, "securities" means the stocks, bonds, debentures, and other assets subject from time to time to valuation by the committee on valuation of securities of the national association of insurance commissioners.

For the purpose of enabling the superintendent of insurance to secure the analyses, reports, and information developed by the committee on valuation of securities of the national association of insurance commissioners and to pay for such information by cooperating with other states in defraying the expenses of the committee in the investigation, analysis, and valuation of securities and the determination of amortizability of bonds owned by life insurance companies for the purpose of furnishing to the several states on a uniform basis the information needed in the supervision of insurance companies licensed to transact business in the several states, there is hereby created in the state treasury the security valuation expense fund.

The superintendent may collect and disburse, in cooperation with supervisory officials of other states, the moneys obtained through assessments as provided in this section. All moneys which are paid into the fund shall be used only for the purpose of this section.

The superintendent may contract with the committee to make available to the department of insurance the analyses, reports, and information developed by the committee and, after taking into consideration similar payments that may be made by other states, may make payment to the committee to the extent authorized by this section, on account of the expenses of the committee, from the fund.

The superintendent shall periodically obtain from the committee a verified budget estimate of the receipts and of the expenses to be incurred by the committee for a stated period, not exceeding one year, with appropriate explanations of the estimates therein contained.

If the superintendent is satisfied as to the reasonableness of the budget estimate, the superintendent



shall determine the portion of the moneys required by the budget estimate, to be assessed as provided in this section, by deducting from the budget estimate or from the sum of two hundred fifty thousand dollars, whichever is less, any amounts received or receivable by the committee from states with laws that do not substantially conform to the method of assessment provided in this section and applying to the remainder the proportion that the total investments in securities of domestic life insurers bear to the total investments in securities of life insurers domiciled in this and other states with laws that authorize and require assessments on substantially the same basis as provided in this section. The superintendent shall thereafter, as soon as convenient, by notice stating the method of computation thereof, assess the amount to be paid on account of such expenses, pro rata upon all domestic life insurers in the proportion that the total investments in securities of each domestic life insurer bear to the total investments in securities of all domestic life insurers. The total investments in securities of any life insurer for purposes of this section shall be the total admitted value of the securities reported as such in its annual statement last filed prior to such assessment with the department or with the supervisory officials of its state of domicile. Upon receipt of the notice each domestic life insurance company shall within thirty days thereafter pay the amount of the assessment to the superintendent, who shall deposit the amount in the state treasury to the credit of the fund. The superintendent shall make such disbursements from the fund in amounts and at the times determined by the superintendent under the superintendent's contract with the committee.

The superintendent shall require annually, and at such other times as the superintendent considers necessary or advisable, a duly certified audit of receipts and disbursements and statement of assets and liabilities, showing the details of the financial operations of the committee.