

SECOND REGULAR SESSION
[P E R F E C T E D]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 834
95TH GENERAL ASSEMBLY

Reported from the Committee on Small Business, Insurance and Industry, February 18, 2010, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

Senate Committee Substitute adopted March 1, 2010.

Taken up March 1, 2010. Read 3rd time and placed upon its final passage; bill passed.

TERRY L. SPIELER, Secretary.

4599S.03P

AN ACT

To repeal section 375.1175, RSMo, and to enact in lieu thereof one new section relating to the liquidation of certain domestic insurance companies.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 375.1175, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 375.1175, to read as follows:

375.1175. 1. The director may petition the court for an order directing
2 him to liquidate a domestic insurer or an alien insurer domiciled in this state on
3 the basis:

4 (1) Of any ground for an order of rehabilitation as specified in section
5 375.1165, whether or not there has been a prior order directing the rehabilitation
6 of the insurer;

7 (2) That the insurer is insolvent;

8 (3) That the insurer is in such condition that the further transaction of
9 business would be hazardous, financially or otherwise, to its policyholders, its
10 creditors or the public;

11 (4) That the insurer is found to be in such condition after examination
12 that it could not meet the requirements for incorporation and authorization
13 specified in the law under which it was incorporated or is doing business; or

14 (5) That the insurer has ceased to transact the business of insurance for
15 a period of one year.

16 **2. Notwithstanding any other provision of this chapter, a**
17 **domestic insurer organized as a stock insurance company may**
18 **voluntarily dissolve and liquidate as a corporation pursuant to sections**

19 351.462 to 351.482, provided that:

20 (1) The director, in his or her sole discretion, approves the
21 articles of dissolution prior to filing such articles with the secretary of
22 state. In determining whether to approve or disapprove the articles of
23 dissolution, the director shall consider, among other factors, whether:

24 (a) The insurer's annual financial statements filed with the
25 director show no written insurance premiums for five years; and

26 (b) The insurer has demonstrated that all policyholder claims
27 have been satisfied or have been transferred to another insurer in a
28 transaction approved by the director; and

29 (c) An examination of the insurer pursuant to sections 374.202 to
30 374.207 has been completed within the last five years; and

31 (2) The domestic insurer files with the secretary of state a copy
32 of the director's approval, certified by the director, along with articles
33 of dissolution as provided in section 351.462 or 351.468.

✓
Bill

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