

## AN ACT

To repeal section 374.160, RSMo, and to enact in lieu thereof one new section relating to department of insurance expenses paid by insurance companies.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

Section A. Section 374.160, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 374.160, to read as follows:

374.160. 1. The expenses of [examinations,] valuations or proceedings against any company, and for dissolving or settling the affairs of companies are to be paid by the company, or as provided by law. The state shall not be responsible in any manner for the payment of any such expenses, or any charges connected therewith.

2. All other expenses of the department of insurance now or hereafter incurred and unpaid, or that may be hereafter incurred, including the salaries of the director and deputy director, shall be paid out of the state treasury in the manner provided by law.

3. The director shall assess the direct expenses incurred by examiners of any examination against the company examined and shall order that the examination expenses be paid into the insurance examiners fund created by section 374.162. Any such assessment shall include an itemized report prepared by the

director or the director's designee that indicates the direct expenses incurred by the examiners. The report shall include the amount of time spent by each examiner whose expenses are included in the report and the rate of pay for each examiner. Each examiner whose direct expenses are included in the report shall complete a written form that verifies and attests to the direct expenses incurred by such examiner during the examination. The entire detailed report, including the examiners' forms described in this subsection, shall be submitted to the examined company and an appropriate representative of such company shall verify the accuracy of the report prior to any assessment against the examined company. The director shall also assess an additional amount equal to [fifteen] five percent of the total expenses of examination, to be paid for the supervision and support of the examiners. The insurance examiner's sick leave fund created by sections 374.261 to 374.267 shall be combined with the insurance examiners fund. The director shall pay from the insurance examiners fund the compensation of insurance examiners pursuant to section 374.115[, ] and any expenses to be paid from such sick leave fund under sections 374.261 to 374.267, and expenses incurred for supervision and support of the examiners. The general assembly shall annually provide appropriations sufficient to distribute all receipts into the insurance examiners fund. The provisions of section 33.080, RSMo, relating to the transfer of unexpended balances to the general revenue fund shall not

apply to the insurance examiners fund.

4. If any company shall refuse to pay the expenses of any examination, valuation or proceeding assessed by the director pursuant to this section, the company shall be liable for double the amount of such expenses and all costs of collection, including attorney's fees. The company shall not be entitled to a credit, pursuant to section 148.400, RSMo, for any [fees, expenses or] costs ordered pursuant to this subsection other than in the amount of the expenses originally assessed by the director. All amounts collected pursuant to this subsection shall be credited to the insurance examiners fund.

5. Each employee or other authorized agent of the department of insurance may be provided a per diem for expenses or be reimbursed for actual expenses incurred by such employee or agent, or may receive the amount provided for members of the general assembly pursuant to section 21.145, RSMo, whichever is less. A company shall only be assessed examination expenses for employee or agent expenses, including travel reimbursement, pursuant to subsection 3 of this section in amounts prescribed in this subsection.