

FIRST REGULAR SESSION

HOUSE BILL NO. 790

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES WILSON (130) (Sponsor), SATER,
MEINERS AND NANCE (Co-sponsors).

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D. ADAM CRUMBLISS, Chief Clerk

1817L.02I

AN ACT

To repeal sections 354.150, 354.495, 374.150, 374.160, 374.230, 374.261, 374.263, 374.265,
and 374.267, RSMo, and to enact in lieu thereof five new sections relating to funding for
the department of insurance, financial and professional regulation.

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

Section A. Sections 354.150, 354.495, 374.150, 374.160, 374.230, 374.261, 374.263,
2 374.265, and 374.267, RSMo, are repealed and five new sections enacted in lieu thereof, to be
3 known as sections 354.150, 354.495, 374.150, 374.160, and 374.230, to read as follows:

354.150. Every health services corporation subject to the provisions of sections 354.010
2 to 354.380 shall pay the following fees to the director of insurance for enforcement of the
3 provisions of this chapter:

4	[Issuance of certificate of authority	\$150.00
5	Filing articles of amendment	\$ 20.00
6	Filing each annual statement	\$100.00
7	Filing articles of acceptance and issuing a	
8	certificate of acceptance	\$ 20.00
9	Filing any other statement or report	\$ 1.00
10	For a certified copy of any document or other paper filed in the	
11	office of the director, per page	\$.35

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended
to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 12 For the certificate and for affixing the seal thereto \$ 10.00
- 13 For filing statement and pertinent admission papers required of a foreign health
- 14 services corporation \$200.00
- 15 For copies of papers, records and documents filed in the
- 16 office of the director, an amount not
- 17 to exceed, at the director's discretion \$ 1.00
- 18 per page
- 19 For each service of process upon the director, on
- 20 behalf of the health services corporation \$ 10.00]
- 21 **(1) For filing the declaration required on organization of each domestic company,**
- 22 **two hundred fifty dollars;**
- 23 **(2) For filing statement and certified copy of charter required of foreign companies,**
- 24 **two hundred fifty dollars;**
- 25 **(3) For filing application to renew certificate of authority, along with all required**
- 26 **annual reports, including the annual statement, actuarial statement, risk based capital**
- 27 **report, report of valuation of policies or other obligations of assurance, and audited**
- 28 **financial report of any company doing business in this state, one thousand five hundred**
- 29 **dollars;**
- 30 **(4) For filing any paper, document, or report not filed under subdivision (1), (2),**
- 31 **or (3) of this section but required to be filed in the office of the director, fifty dollars each;**
- 32 **(5) For affixing the seal of office of the director, ten dollars;**
- 33 **(6) For accepting each service of process upon the company, ten dollars.**
- 354.495. Every health maintenance organization subject to sections 354.400 to [354.550]
- 2 **354.636** shall pay to the director the following fees:
- 3 [(1) Issuance or renewal of certificate of
- 4 authority \$ 150.00
- 5 (2) Filing of articles of amendment 1.00
- 6 (3) Filing each annual statement 100.00
- 7 (4) Filing articles of acceptance and issuing
- 8 a certificate of acceptance 20.00
- 9 (5) Filing any other statement or report 20.00
- 10 (6) For the certification of any document, and
- 11 affixing the seal thereto 10.00
- 12 (7) For filing statement and pertinent admission
- 13 papers required of a foreign health
- 14 maintenance organization 200.00

- 15 (8) For each appointment of an agent by the
 16 health maintenance organization 5.00
 17 (9) For copies of papers, records and documents
 18 filed in the office of the director, an
 19 amount not to exceed, at the director's
 20 discretion 1.00
 21 per page
 22 (10) For each service of process upon the
 23 director, on behalf of the health
 24 maintenance organization 10.00]
- 25 **(1) For filing the declaration required on organization of each domestic company,**
 26 **two hundred fifty dollars;**
 27 **(2) For filing statement and certified copy of charter required of foreign companies,**
 28 **two hundred fifty dollars;**
 29 **(3) For filing application to renew certificate of authority, along with all required**
 30 **annual reports, including the annual statement, actuarial statement, risk based capital**
 31 **report, report of valuation of policies or other obligations of assurance, and audited**
 32 **financial report of any company doing business in this state, one thousand five hundred**
 33 **dollars;**
 34 **(4) For filing any paper, document, or report not filed under subdivision (1), (2),**
 35 **or (3) of this section but required to be filed in the office of the director, fifty dollars each;**
 36 **(5) For affixing the seal of office of the director, ten dollars;**
 37 **(6) For accepting each service of process upon the company, ten dollars.**

374.150. 1. All fees due the state under the provisions of the insurance laws of this state
 2 shall be paid to the director of revenue and deposited in the state treasury to the credit of the
 3 insurance [department] **dedicated** fund unless otherwise provided for in subsection 2 of this
 4 section.

5 2. There is hereby established in the state treasury a special fund to be known as the
 6 "[Department of] Insurance Dedicated Fund". The fund shall be subject to appropriation of the
 7 general assembly and shall be devoted solely to the payment of expenditures incurred by the
 8 department [of insurance] attributable to duties performed by the department **for the regulation**
 9 **of the business of insurance, regulation of health maintenance organizations and the**
 10 **operation of the division of consumer affairs** as required by law which are not paid for by
 11 another source of funds. Other provisions of law to the contrary notwithstanding, beginning on
 12 January 1, 1991, all fees charged under any provision of chapter 325, 354, 374, 375, 376, 377,
 13 378, 379, 380, 381, 382, 383, 384 or 385, RSMo, due the state shall be paid into this fund. The

14 state treasurer shall invest moneys in this fund in the same manner as other state funds and any
15 interest or earnings on such moneys shall be credited to the [department of] insurance dedicated
16 fund. The provisions of section 33.080, RSMo, notwithstanding, moneys in the fund shall not
17 lapse, be transferred to or placed to the credit of the general revenue fund unless and then only
18 to the extent to which the unencumbered balance at the close of the biennium year exceeds two
19 times the total amount appropriated, paid, or transferred to the fund during such fiscal year.

20 [3. Notwithstanding the provisions of this section to the contrary, fifty-five percent of
21 the balance in the department of insurance dedicated fund as of the effective date of this act or
22 six million fifteen thousand eight hundred and fifty-five dollars, whichever is greater, shall be
23 subject to an immediate one-time transfer to the state general revenue fund.]

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

5 2. **At the request of the director, every domestic insurance company or health**
6 **maintenance organization subject to an order of conservation, rehabilitation, or liquidation**
7 **shall reimburse the insurance dedicated fund for administrative services rendered by state**
8 **employees to the company. Reimbursement shall include that portion of the employee's**
9 **salary, state benefits, and expenses that specifically relates to the services rendered on**
10 **behalf of the company.**

11 3. All other expenses of the department of insurance, **financial institutions and**
12 **professional registration** now or hereafter incurred and unpaid, or that may be hereafter
13 incurred, including the salaries of the director and deputy director, shall be paid out of the state
14 treasury in the manner provided by law.

15 [3.] 4. The director shall assess the expenses of any examination against the company
16 examined and shall order that the examination expenses be paid into the insurance examiners
17 fund created by section 374.162. [The director shall also assess an additional amount equal to
18 fifteen percent of the total expenses of examination, to be paid for the supervision and support
19 of the examiners. The insurance examiner's sick leave fund created by sections 374.261 to
20 374.267 shall be combined with the insurance examiners fund.] **This assessment shall include**
21 **the costs of compensation, including benefits, for the examiners, analysts, actuaries, and**
22 **attorneys directly contributing to the examination of the company, any reasonable travel,**
23 **lodging, and meal expenses related to an on-site examination, and other expenses related**
24 **to the examination of the company, including an allocation for examiners' office space,**
25 **supplies, and equipment, but not expenses associated with attending a course, seminar, or**
26 **meeting, unless solely related to the examination of the company assessed.** The director shall

27 pay from the insurance examiners fund the compensation of insurance examiners [pursuant to
28 section 374.115, any expenses to be paid from such sick leave fund under sections 374.261 to
29 374.267], **analysts, actuaries, and attorneys, including standard benefits afforded to state**
30 **employees, for performance of any such examination and other** expenses [incurred for
31 supervision and support of the examiners] **covered in the assessment.** The general assembly
32 shall annually provide appropriations sufficient to distribute all receipts into the insurance
33 examiners fund. The provisions of section 33.080, RSMo, relating to the transfer of unexpended
34 balances to the general revenue fund shall not apply to the insurance examiners fund.

35 [4.] **5.** If any company shall refuse to pay the expenses of any examination, valuation or
36 proceeding assessed by the director pursuant to this section, the company shall be liable for
37 double the amount of such expenses and all costs of collection, including attorney's fees. The
38 company shall not be entitled to a credit, pursuant to section 148.400, RSMo, for any fees,
39 expenses or costs ordered pursuant to this subsection other than in the amount of the expenses
40 originally assessed by the director. All amounts collected pursuant to this subsection shall be
41 credited to the insurance examiners fund.

374.230. Every insurance company doing business in this state shall pay to the director
2 of revenue the following fees:

3 (1) [For making valuations of policies or other obligations of assurance, one thousand
4 dollars for all ordinary forms of policies, and the cost of computing special evaluation tables for
5 policy forms requiring such shall be added;

6 (2)] For filing the declaration required on organization of each **domestic** company, **two**
7 **hundred** fifty dollars;

8 [(3)] (2) For filing statement and certified copy of charter required of foreign companies,
9 **two hundred** fifty dollars;

10 [(4)] (3) For filing **application to renew certificate of authority, along with all**
11 **required annual reports, including the** annual statement, **actuarial statement, risk based**
12 **capital report, report of valuation of policies or other obligations of assurance, and audited**
13 **financial report** annual statement of any company doing business in this state, [two hundred
14 fifty] **one thousand five hundred** dollars;

15 [(5)] (4) For filing supplementary annual statement of any company doing business in
16 this state, [ten] **fifty** dollars;

17 [(6)] (5) For filing any [other] paper, **document, or report not filed under subdivision**
18 **(1), (2), or (3), but** required to be filed in the office of the director [of the department of
19 insurance], fifty dollars each;

20 [(7)] (6) For [each agent's] **a** copy of [his] **a** company's certificate of authority or
21 **producer or agent** license, [two] **ten** dollars;

22 [(8) For copies of papers, records, and documents filed in the office of the director of the
23 department of insurance, twenty cents per folio;

24 (9)] (7) For affixing the seal of office of the director [of the department of insurance],
25 ten dollars;

26 [(10)] (8) For accepting each service of process upon the company, ten dollars.

 [374.261. As used in sections 374.261 to 374.269, the following words
2 mean:

3 (1) "Director", the director of the department of insurance;

4 (2) "Examiners", nonsalaried employees of the department of insurance
5 conducting an examination pursuant to section 374.190;

6 (3) "Sick leave", those days of leave taken during the conduct of an
7 examination during which an examiner is prevented from conducting an
8 examination due to illness or injury.]
9

 [374.263. There is hereby created in the state treasury a fund to be known
2 as the "Insurance Examiner's Sick Leave Fund", hereinafter referred to as the
3 "fund". The fund shall be used to pay the daily wages of department of insurance
4 examiners who are temporarily unable to continue an examination of an
5 insurance company or companies pursuant to section 374.190, because of illness
6 or injury suffered or sustained by the examiner during the course of the
7 examination which the examiner is conducting.]
8

 [374.265. 1. There shall be an amount assessed against those domestic
2 insurers which are subject to premium tax and are engaged in the business of
3 insurance within this state, which amount shall be no less than one hundred and
4 fifty nor greater than five hundred dollars.

5 2. The initial assessment shall be made within one month of September
6 28, 1981, in the total amount of thirty-six thousand dollars. Thereafter,
7 assessments shall be made annually, or as needed whenever the balance in the
8 fund becomes less than ten thousand dollars. The amount of such subsequent
9 assessments shall be that amount necessary to return the balance in the fund to
10 thirty-six thousand dollars.]
11

 [374.267. 1. The director of the department of insurance, his agents or
2 appointees shall be empowered to make assessments pursuant to section 374.265,
3 and to administer the fund.

4 2. The director, his agents or appointees shall compensate an examiner
5 out of the fund only after the examiner has satisfied the director, his agents or
6 appointees that:

7 (1) The examiner was employed by the department of insurance to
8 conduct an examination of an insurance company or companies pursuant to

9 section 374.190 at the time of the illness or injury for which daily wages are
10 claimed; and

11 (2) The examiner was prevented from conducting the examination due
12 to illness or injury.

13 3. The amount paid by the director, his agents or appointees to an
14 examiner from the fund shall not exceed the amount of the examiner's daily
15 wages times the number of days during which the examiner was prevented from
16 conducting an examination as result of illness or injury, but in no event shall any
17 examiner be paid for more than one and one-fourth days times the number of
18 months for which he has been employed by the department of insurance as an
19 examiner, nor shall an examiner be paid for or receive credit for sick leave after
20 August 13, 1988, for or on the basis of any month, months or portion thereof
21 before August 13, 1988.]

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