

304.42-110 Duties and powers of commissioner.

In addition to the duties and powers enumerated elsewhere in this subtitle:

- (1) The commissioner shall:
 - (a) Upon request of the board of directors, provide the association with a statement of the premiums in the appropriate states for each member insurer;
 - (b) When an impairment is declared and the amount of the impairment is determined, serve a demand upon the impaired insurer to make good the impairment within a reasonable time. Notice to the impaired insurer shall constitute notice to its shareholders, if any. The failure of the insurer to promptly comply with the demand shall not excuse the association from the performance of its powers and duties under this subtitle; and
 - (c) In any liquidation or rehabilitation proceeding involving a domestic insurer, be appointed as the liquidator or rehabilitator. If a foreign or alien member insurer is subject to a liquidation proceeding in its domiciliary jurisdiction or state of entry, the commissioner may be appointed conservator.
- (2) The commissioner may suspend or revoke, after notice and hearing conducted in accordance with KRS Chapter 13B, the certificate of authority to transact insurance in this state of any member insurer which fails to pay an assessment when due or fails to comply with the plan of operation. As an alternative the commissioner may levy a forfeiture on any member insurer which fails to pay an assessment when due. A forfeiture shall not exceed five percent (5%) of the unpaid assessment per month, but no forfeiture shall be less than one hundred dollars (\$100) per month.
- (3) Any final action of the board of directors or the association may be appealed to the commissioner by any member insurer if the appeal is taken within sixty (60) days of its receipt of notice of the action being appealed. Any final order of the commissioner shall be subject to judicial review as set forth in Subtitle 2 of this chapter and KRS Chapter 13B.
- (4) The liquidator, rehabilitator, or conservator of any impaired insurer may notify all interested persons of the effect of this subtitle.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 24, sec. 1565, effective July 15, 2010. -- Amended 1998 Ky. Acts ch. 537, sec. 7, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 318, sec. 248, effective July 15, 1996. -- Amended 1988 Ky. Acts ch. 282, sec. 5, effective July 15, 1988. -- Created 1978 Ky. Acts ch. 282, sec. 11, effective June 17, 1978.