

2012 Kansas Statutes

40-4311. Reinsurance authority; requirements and limitation; credit for reserves on risks ceded.

(a) Any captive insurance company may provide reinsurance, comprised in articles 9 and 11 of chapter 40 of the Kansas Statutes Annotated as limited by subsection (a)(3) of K.S.A. 40-4302, and amendments thereto on risks ceded by any other captive insurance company.

(b) Any risks or portions of risks of any captive insurance company that is reinsured shall be ceded to an insurance company that is authorized to transact business in this state or that has been approved by the commissioner. A captive insurance company may take credit for reserves on risks or portions of risks ceded. The commissioner may require any other documents, financial information or other evidence that such a reinsurer will be able to provide adequate security for its financial obligations. The commissioner may deny authorization or impose any limitations on the activities of a reinsurer that, in such commissioner's judgment, are necessary and proper to provide adequate security for the ceding captive insurance company and for the protection and consequent benefit of the public at large.

(c) Any aircraft captive insurance company may provide reinsurance, comprised in articles 9 and 11 of chapter 40 of the Kansas Statutes Annotated as limited by subsection (a) (3) of K.S.A. 40-4302, and amendments thereto, on risks ceded by an insurance company which is an affiliated company and is authorized to transact business in the state of Kansas, if the requirements of either paragraph (1) or (2) of subsection (b) of K.S.A. 40-221a, and amendments thereto, are met by the ceding insurer with respect to the reinsurance provided by the aircraft captive.

History: L. 1988, ch. 156, § 11; L. 1990, ch. 177, § 3; April 5.