2023 Kansas Statutes

40-4323.   Same; dormant captive insurance companies; certification of; renewal. (a) As used in this section, unless the context requires otherwise, "dormant captive insurance company" means a captive insurance company that has:

(1)   Ceased transacting the business of insurance, including the issuance of insurance policies; and

(2)   no remaining liabilities associated with insurance business transactions or insurance policies issued prior to the filing of its application for a certificate of dormancy under this section.

(b)   A captive insurance company domiciled in Kansas that meets the criteria of subsection (a) may apply to the commissioner for a certificate of dormancy. The certificate of dormancy shall be subject to renewal every five years and shall be forfeited if not renewed within such time.

(c)   A dormant captive insurance company that has been issued a certificate of dormancy shall:

(1)   Possess and thereafter maintain unimpaired, paid-in capital and surplus of not less than $25,000;

(2)   prior to March 15 of each year, submit to the commissioner a report of its financial condition, verified by oath by two of its executive officers, in a form as may be prescribed by the commissioner; and

(3)   pay a license renewal fee of $500.

(d)   A dormant captive insurance company shall not be subject to or liable for the payment of any tax under K.S.A. 40-4314, and amendments thereto, or as provided in article 28 of chapter 40 of the Kansas Statutes Annotated, and amendments thereto.

(e)   A dormant captive insurance company shall apply to the commissioner for approval to surrender its certificate of dormancy and resume conducting the business of insurance prior to issuing any insurance policies.

(f)   A certificate of dormancy shall be revoked if a dormant captive insurance company no longer meets the criteria of subsection (a).

(g)   The commissioner may promulgate rules and regulations as necessary to carry out the provisions of this section.

History: L. 2018, ch. 50, § 6; July 1.