

31A-17-606 Mandatory control level event.

- (1) "Mandatory control level event" means any of the following events:
- (a) the filing of an RBC report that indicates that the insurer's or health organization's total adjusted capital is less than its mandatory control level RBC;
 - (b) notification by the commissioner to the insurer or health organization of an adjusted RBC report that indicates the event in Subsection (1)(a), provided the insurer or health organization does not challenge the adjusted RBC report under Section 31A-17-607; or
 - (c) if, pursuant to Section 31A-17-607, the insurer or health organization challenges an adjusted RBC report that indicates the event in Subsection (1)(a), notification by the commissioner to the insurer or health organization that after a hearing the commissioner rejects the insurer's or health organization's challenge.
- (2)
- (a) In the event of a mandatory control level event with respect to an insurer or health organization, the commissioner shall take any actions necessary to place the insurer under regulatory control under Chapter 27, Part 5, Administrative Actions.
 - (b) The mandatory control level event is sufficient grounds for the commissioner to take action under Chapter 27, Part 5, Administrative Actions, and the commissioner shall have the rights, powers, and duties with respect to the insurer or health organization as are set forth in Chapter 27, Part 5, Administrative Actions.
 - (c) If the commissioner takes an action pursuant to an adjusted RBC report, the insurer or health organization is entitled to the protections of Section 31A-27-504 pertaining to summary proceedings.
 - (d) Notwithstanding the other provisions of Subsection (2), the commissioner may forego action for up to 90 days after the mandatory control level event if the commissioner finds there is a reasonable expectation that the mandatory control level event may be eliminated within the 90-day period.

Amended by Chapter 309, 2007 General Session