

OKLAHOMA
INSURANCE
DEPARTMENT

Insurance Commissioner John D. Doak

2015

BUDGET HEARING



2015 OID BUDGET HEARING AGENDA

1. Department Overview

2. Legislative Proposals

3. Budget Overview

PART ONE

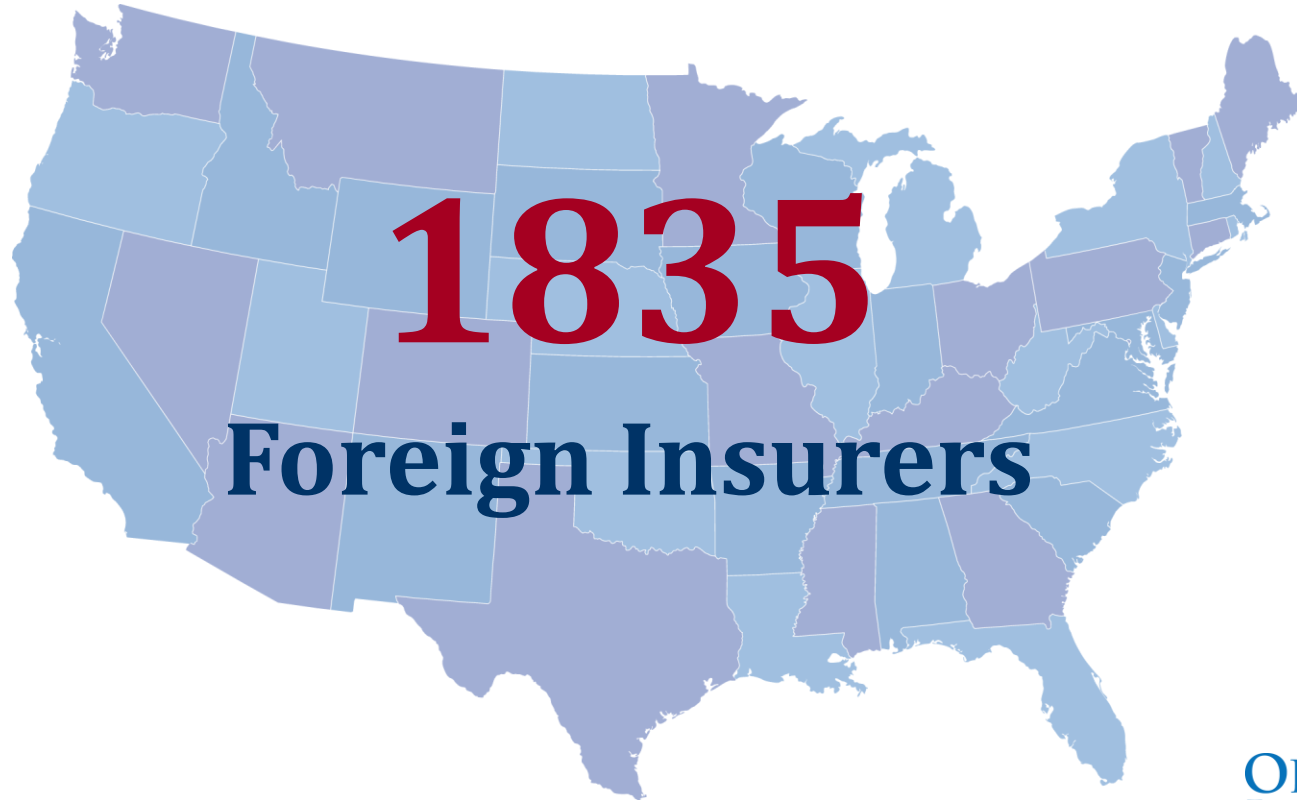
DEPARTMENT
OVERVIEW

OUR MISSION



To protect and enhance the financial security of
Oklahoma and Oklahomans

The OID Regulates:



The OID Regulates:



77 Domestic Insurers
&
47 Captive Insurers

The OID Regulates:

- **173,445**
Agents, Adjusters & Brokers
- **582**
Bail Bondsmen
- **1,053**
Real Estate Appraisers
- **351**
Funeral Homes



The OID Serves:

- **24,808**
Consumer Assistance Calls
- **3,401**
Cases Closed
- **\$4,293,299.72**
Recovered for Consumers



The OID Guides:

- **2,902**
Community Events
- **36,055**
Attendees at Events
- **15,005**
Phone Calls
- **4,282**
Medicare Part D Enrollees



The OID Protects:

- **1,626**
Complaints Received
- **18**
Submitted for
Criminal Prosecution
- **16**
Submitted for
Administrative Action
- **\$675,400**
Recovered



The OID Acts:

Helping more than 24,000 consumers over the phone and collecting nearly \$4.3 million for consumers.

Co-hosting the 3rd Annual National Tornado Summit with a record attendance of nearly 1,200.

Launching a new era for captive insurance in Oklahoma with the passage of HB1108.



The OID Acts:

Traveling to all 77 counties in the state to meet with consumers, fire departments, local leaders and insurance professionals.

Returning \$5.5 million in unspent funds to the state Legislature for Fiscal Year 2015.

Hosting eight Senior Fraud Conferences across the state to educate seniors on fraud and teach them how to protect themselves.



The OID Acts:

ISO

960+ fire departments across the state. Statewide average ISO score is 9

300+ fire departments visits

OID's ISO division saw more than 175 departments lower their ISO rating as a result of OID's assistance.

A lower ISO rating has an immediate impact on the local homeowners' insurance rates.



PART TWO

**LEGISLATIVE
PROPOSALS**

Buddy Combs

Director of Public Policy

(405) 388-9443

buddy.combs@oid.ok.gov

Kyle E. Coulter

Asst. Director of Public Policy

(405) 365-4763

kyle.coulter@oid.ok.gov

Disaster Savings Accounts



Allows up to \$5,000 to be set aside tax-free, each year, for disaster recovery and risk mitigation expenses.

Flood Insurance



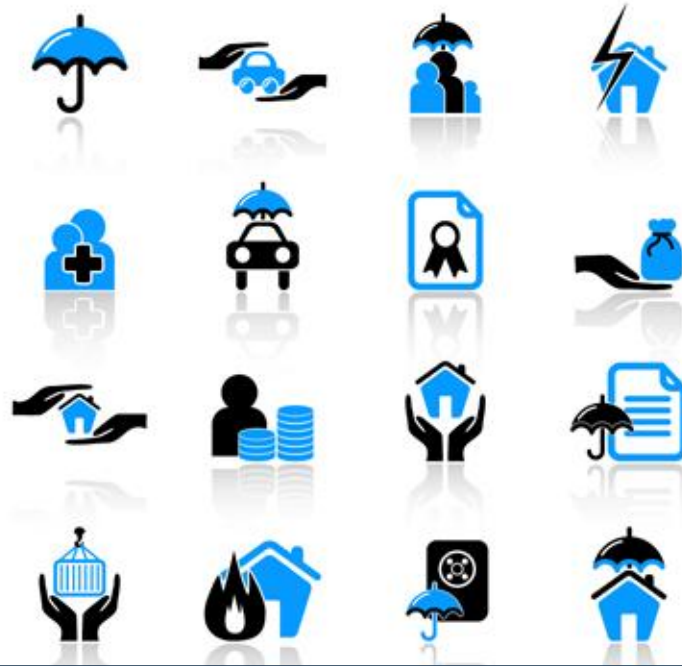
Increases private competition against the Federal Flood Insurance Program by allowing a surplus lines premium tax exemption on flood policies sold by Domestic companies for Oklahoma properties.

Public Adjusters



Clarifies that a public adjuster may only profit off of any net increase they obtain for their clients and not the entire settlement amount.

Service Warranty



Clarifies the Commissioner's authority to oversee out-of-state service warranty companies operating in Oklahoma.

The OID Helps Implement New Laws



1. Captive Insurance
2. Workers' Compensation Opt-Out
3. Uninsured Motorist
4. Pharmacy Benefit Managers
5. Navigators

PART THREE

**BUDGET
OVERVIEW**

Total Revenue: **\$286,894,362.15**

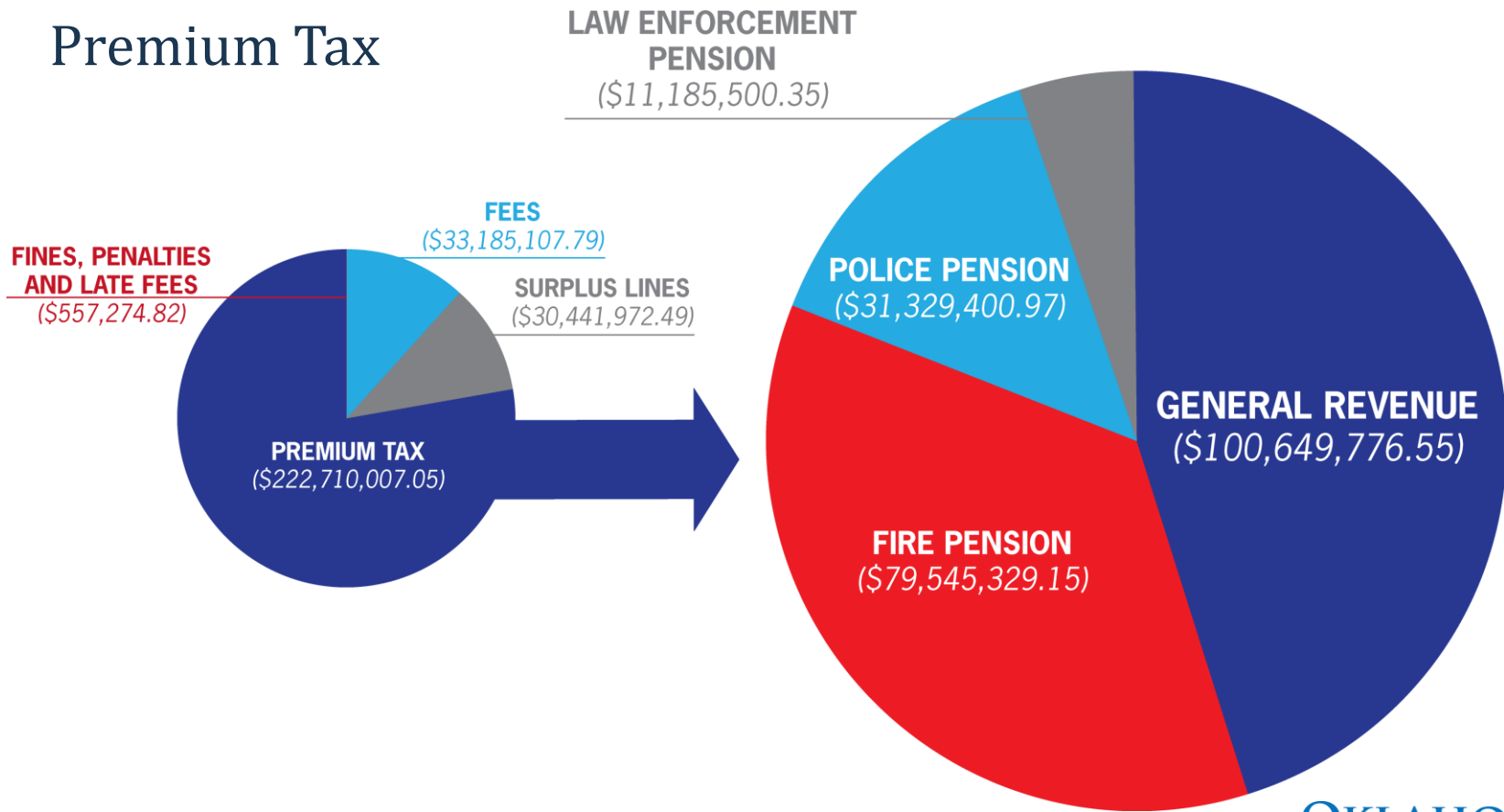
**FINES, PENALTIES
AND LATE FEES**
(\$557,274.82)

FEES
(\$33,185,107.79)

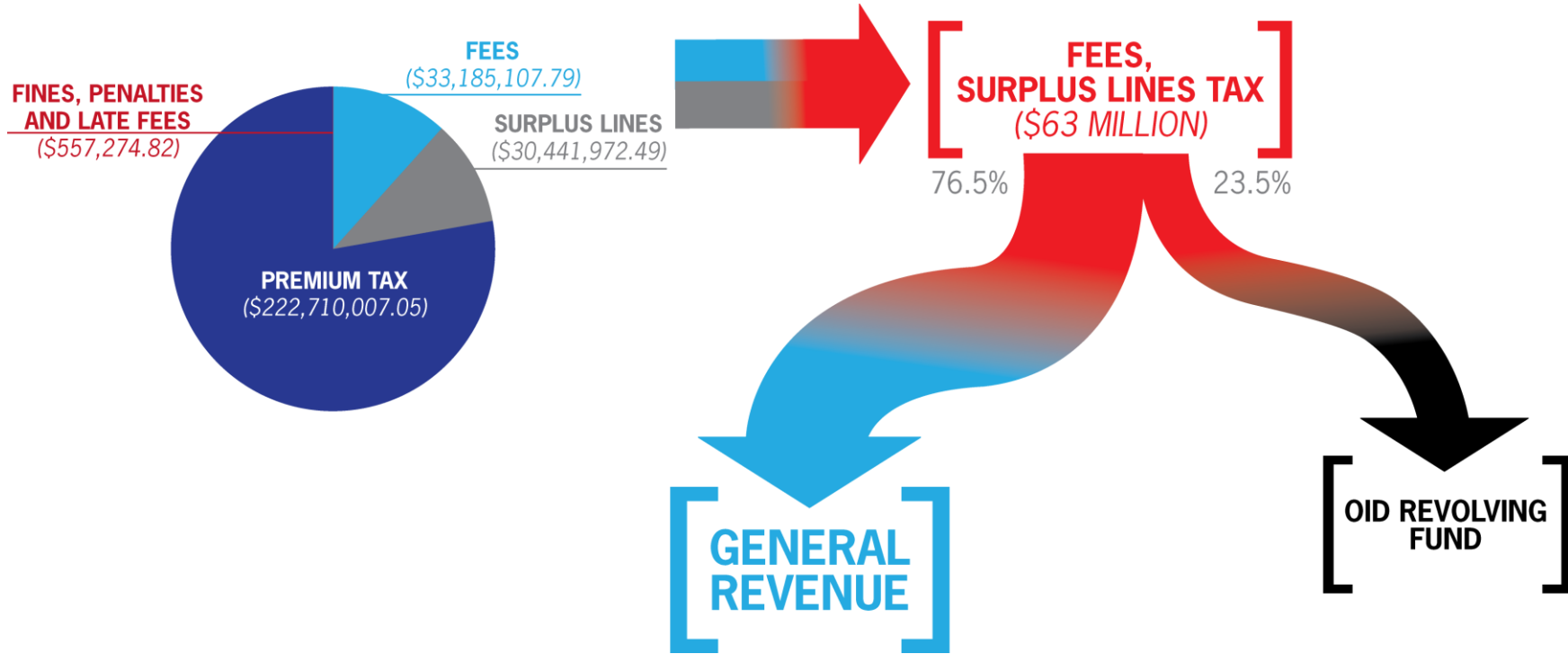
SURPLUS LINES
(\$30,441,972.49)

PREMIUM TAX
(\$222,710,007.05)

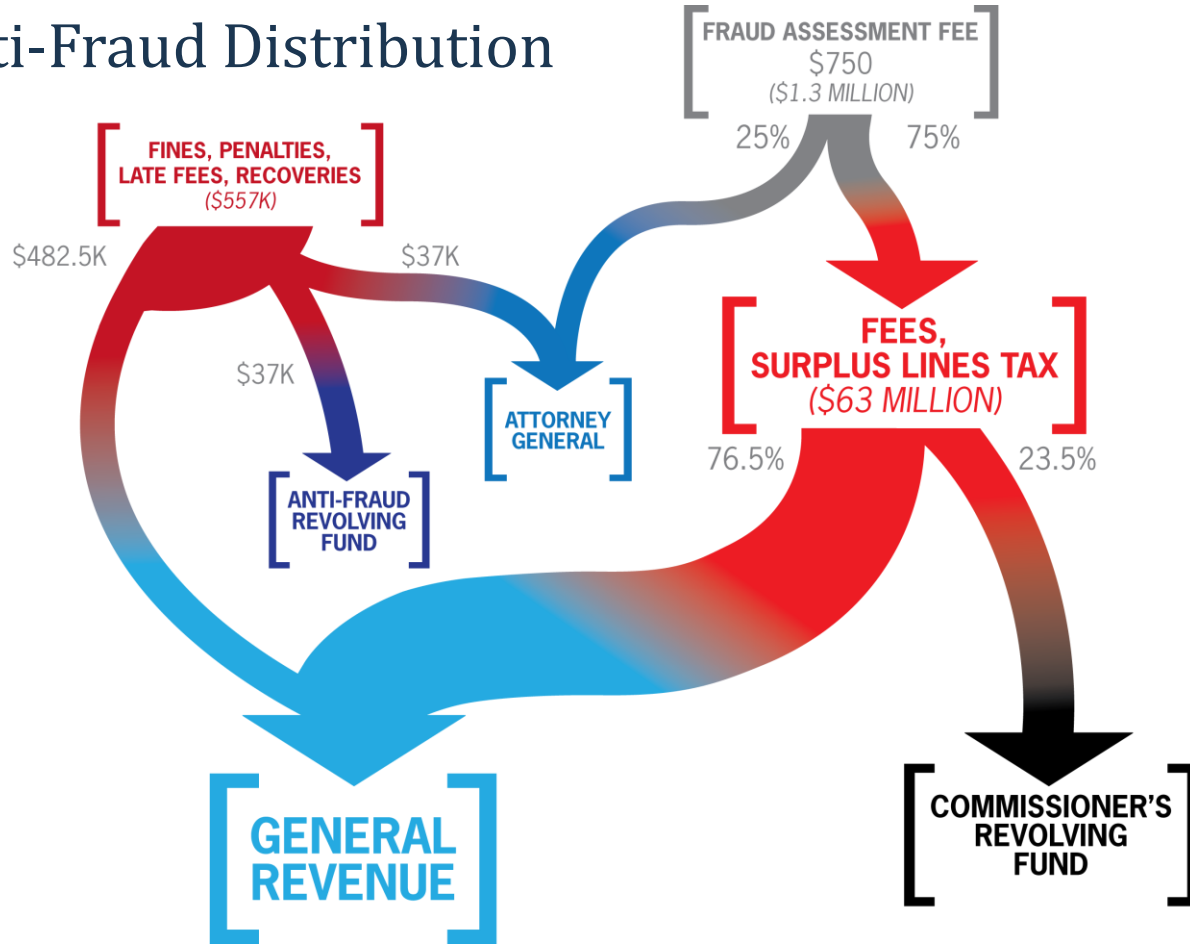
Premium Tax



Fees and Surplus Lines Tax



Anti-Fraud Distribution



Gross Revenue Collections

FY'11 **\$232,203,081.14**

FY'12 **\$241,588,663.76**

FY'13 **\$291,206,367.78**

FY'14 **\$296,874,151.41**

Revolving Funds Returned

FY'12 **\$5,000,000**

FY'13 **\$4,000,000**

FY'14 **\$8,000,000**

FY'15 **\$5,500,000**

TOTAL \$22,500,000

LEGISLATIVE BUDGET REQUEST

OID requests *\$5,000,000* to remain in
Revolving Account for *FY'16*

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THANK YOU