



Department of Insurance

Mike DeWine, Governor
Jon Husted, Lt. Governor

Judith L. French, Director

IN THE MATTER OF PUBLIC HEARING	:	
FOR THE AMENDMENT OF	:	NOTICE OF
OHIO ADMINISTRATIVE CODE	:	PUBLIC HEARING
SECTIONS 3901-2-01, 3901-2-04, 3901-2-05,	:	
3901-2-08, 3901-2-12, 3901-2-13, 3901-2-14,	:	
3901-2-15, 3901-3-05, 3901-3-12, 3901-3-18,	:	
3901-5-01, 3901-5-03, 3901-5-05, 3901-5-06,	:	
3901-5-07, 3901-8-04, 3901-8-12, 3901-11-01,	:	
3901-11-02, 3901-11-03, 3901-11-04,	:	
3901-11-05, and 3901-11-06	:	

Pursuant to section 119.03 of the Ohio Revised Code, the Superintendent of Insurance, State of Ohio, will hold a public hearing at 10:00 a.m., on Monday, September 30, 2024, at the Ohio Department of Insurance, Public Hearing Room, 50 West Town Street, 3rd Floor, Suite 300, Columbus, Ohio, to consider the amendment of Ohio Administrative Code sections:

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| 3901-2-01 | Application of Chapter 3901-2 of the Administrative Code. |
| 3901-2-04 | Information to be furnished security holders. |
| 3901-2-05 | Requirements as to proxy. |
| 3901-2-08 | Mailing communications for security holders. |
| 3901-2-12 | Special provisions applicable to election contests. |
| 3901-2-13 | Information to be contained in proxy statement. |
| 3901-2-14 | Information to be included in statements filed by or on behalf of a participant (other than the issuer) in a proxy solicitation in an election contest. |
| 3901-2-15 | Information required in information statement. |
| 3901-3-05 | Valuation of investments. |
| 3901-3-12 | Derivative use plan. |

3901-3-18	NAIC manuals.
3901-5-01	Agent continuing education.
3901-5-03	Continuing education course
3901-5-05	Agent education violations.
3901-5-06	Agent education fees.
3901-5-07	Regulation of agent pre-licensing education.
3901-8-04	Accreditation of independent review organization.
3901-8-12	Open enrollment.
3901-11-01	Captive insurance company application.
3901-11-02	Additional capital and surplus required.
3901-11-03	Auditor appointment, audited financial statements, actuarial opinion, and annual statements.
3901-11-04	Notification of materially misstated financial condition.
3901-11-05	Special purpose financial captive alternative reserve methodologies.
3901-11-06	Capital and surplus requirements for life insurance companies ceding to special purpose financial captive insurance company and for special purpose financial captive insurance companies.

The public hearing will also be conducted remotely by video conferencing coordinated by the Ohio Department of Insurance (“Department”). Instructions and a web link and/or telephone number for accessing the hearing will be provided on the Department’s web site, www.insurance.ohio.gov. Alternatively, a request for the web link and/or telephone number may be submitted to ecomment@Insurance.ohio.gov.

The Department is committed to providing access and inclusion and reasonable accommodation in accordance with the Americans with Disabilities Act (ADA) and other applicable laws. To request a reasonable accommodation due to a disability please contact the Department’s ADA Coordinator, Andrew Skal, by emailing Andrew.Skal@insurance.ohio.gov or calling 1-614-644-3264 or for TTY 711 (then dial) 614-644-3264. Requests made 14 days prior to an event will generally allow us to provide seamless access, but we will make every effort to meet requests made after this date.

The purpose of rule 3901-2-01 is to set forth the application of Chapter 3901-2 of the Administrative Code.

Rule 3901-2-01 is being reviewed as part of the agency five-year rule review. The proposed amendments will remove regulatory restrictions and make technical amendments.

The purpose of rule 3901-2-04 is to identify information that should be furnished to security holders in solicitations subject to Chapter 3901-2 of the Administrative Code.

Rule 3901-2-04 is being reviewed as part of the agency five-year rule review. The proposed amendments will add purpose, authority and severability paragraphs to bring the rule into compliance with standard department rule formatting; as well as make technical amendments and remove regulatory restrictions.

The purpose of rule 3901-2-05 is to set forth information that should be included in a form of proxy, proxy statement, or solicitation that is subject to Chapter 3901-2 of the Administrative Code.

Rule 3901-2-05 is being reviewed as part of the agency five-year rule review. The proposed amendments will add purpose, authority and severability sections to bring the rule into compliance with standard department rule formatting; as well as make technical amendments and remove regulatory restrictions.

The purpose of rule 3901-2-08 is to set forth mailing communications requirements for security holders.

Rule 3901-2-08 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-2-12 is to set forth the manner and form of solicitations that are subject to Chapter 3901-2 of the Administrative Code for election contests.

Rule 3901-2-12 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical for department rule formatting purposes and will reduce regulatory restrictions.

The purpose of rule 3901-2-13 is to describe in detail and provide the format for the information that must be included in a proxy statement.

Rule 3901-2-13 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical to remove gender specific language, correct citations, and remove regulatory restrictions.

The purpose of rule 3901-2-14 is to set forth information that should be included in a proxy solicitation subject to Chapter 3901-2 of the Administrative Code filed by or on behalf of a participant in an election contest.

Rule 3901-2-14 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical, addressing grammar and rule structure.

The purpose of rule 3901-2-15 is to describe the information that must be included in an information statement when there is no proxy sought.

Rule 3901-2-15 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical to correct grammar, remove gender specific language, and remove regulatory restrictions.

The purpose of rule 3901-3-05 is to facilitate the department's analysis and examination of the financial condition of insurers by establishing procedures for the valuing of investments to be used by insurers in the preparation and filing of statutory financial statements and other financial information.

Rule 3901-3-05 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-3-12 is to establish the content of the derivative use plans to be filed with the superintendent as required by sections 3906.12, 3907.14, and 3925.08 of the Revised Code.

Rule 3901-3-12 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-3-18 is to adopt the forms, instructions and manuals prescribed by the "National Association of Insurance Commissioners" for the preparation and filing of statutory financial statements and other financial information.

Rule 3901-3-18 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-5-01 is to establish continuing education (CE) requirements, standards, and procedures for insurance agents.

Rule 3901-5-01 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions as well as improve understanding of the rule requirements.

The purpose of rule 3901-5-03 is to establish a procedure for the review and approval of continuing education (CE) courses which licensed agents must complete for the purpose of maintaining their licenses.

Rule 3901-5-03 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions as well as improve understanding of the rule requirements.

The purpose of rule 3901-5-05 is to identify conduct related to continuing education that violates Ohio statutes or rules and may subject a continuing education provider or agent to administrative actions.

Rule 3901-5-05 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-5-06 is to establish the fees to be charged for certain services and transactions for the pre-licensing and the continuing education programs.

Rule 3901-5-06 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-5-07 is to establish the criteria for agent pre-licensing education and to establish certain examination requirements.

Rule 3901-5-07 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-8-04 is to govern the accreditation and operation of independent review organizations.

Rule 3901-8-04 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will remove regulatory restrictions.

The purpose of rule 3901-8-12 is to implement the open enrollment statute, sections 3923.58 and 3923.581 of the Revised Code. This rule requires carriers to provide information to consumers, insurance agents and to the superintendent, pursuant to section 3923.582 of the Revised Code. The open enrollment requirements in this rule apply to any carrier that is in the business of issuing health benefit plans to individuals and/or non-employer groups.

Rule 3901-8-12 is being reviewed as part of the agency five-year rule review. This rule is currently suspended under Sub. HB 122 from the 134 GA due to conflicts with current federal law. The proposed amendments update the most recent legislative activity and current applicable dates, as well as remove regulatory restrictions.

The purpose of rule 3901-11-01 is to establish the information to be filed by an applicant for authority to form and license an Ohio domiciled captive insurance company pursuant to section 3964.03 of the Revised Code.

Rule 3901-11-01 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-11-02 is to establish the procedure for the superintendent of insurance to require additional capital and surplus of a captive insurance company pursuant to section 3964.05 of the Revised Code.

Rule 3901-11-02 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-11-03 is to establish the process and procedure for a captive insurance company to appoint an independent certified public accountant and file audited annual financial statements, an actuarial opinion on policy reserves, and annual statements with the superintendent of insurance pursuant to section 3964.07 of the Revised Code.

Rule 3901-11-03 is being reviewed as part of the agency five-year rule review. The proposed amendments will reduce regulatory restrictions and make technical amendments. New paragraph (K) allows the superintendent to grant an exemption from compliance with any provision of the rule if the superintendent finds, upon review of the application, that compliance with the rule would constitute a hardship upon the insurer.

The purpose of rule 3901-11-04 is to establish the notice requirements of the captive insurance company's independent certified public accountant in the event of the determination that the captive insurance company materially misstated its financial condition in its report to the superintendent of insurance pursuant to section 3964.07 of the Revised Code.

Rule 3901-11-04 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

The purpose of rule 3901-11-05 is to amplify section 3964.03 of the Revised Code and establish acceptable information to be submitted to the superintendent when a special purpose financial captive requests to use an alternative reserve methodology pursuant to division (E)(2) of section 3964.03 of the Revised Code.

Rule 3901-11-05 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will remove regulatory restrictions.

The purpose of rule 3901-11-06 is to establish the information required by the superintendent in setting an acceptable total capital and surplus requirement for insurers that cede risks and obligations to a special purpose financial captive insurance company pursuant to division (E)(6) of section 3964.03 of the Revised Code and for special purpose financial captive insurance companies pursuant to division (G)(2) of section 3964.07 of the Revised Code.

Rule 3901-11-06 is being reviewed as part of the agency five-year rule review. The proposed amendments are technical and will reduce regulatory restrictions.

Requests for copies of these rules should be addressed to Tina Chubb, Ohio Department of Insurance, 50 West Town Street, 3rd Floor, Suite 300, Columbus, Ohio 43215, or proposed rules can be viewed online at www.insurance.ohio.gov.

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