

Secretary of State  
Certificate and Order for Filing  
**PERMANENT ADMINISTRATIVE RULES**

I certify that the attached copies\* are true, full and correct copies of the PERMANENT Rule(s) adopted on October 25, 2011 by the

Oregon Department of Consumer and Business Services	Insurance Division	836
Agency and Division		Administrative Rules Chapter Number
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Rules Coordinator	Address	Telephone

to become effective upon filing. Rulemaking Notice was published in the September 2011 Oregon Bulletin.\*\*

**RULE CAPTION**

Require risk based capital trend test by property and casualty insurers

**Not more than 15 words that reasonably identifies the subject matter of the agency's intended action.**

**RULEMAKING ACTION**

**ADOPT:**

**AMEND:** OAR 836-011-0300, 836-011-0305, 836-011-0310, 836-011-0320, 836-011-0380 and 836-011-0390

**REPEAL:**

**NUMBER:**

**AMEND & RENUMBER:**

Stat. Auth.: ORS 731.244

Other Auth.: ORS 731.554 and 733.210

Stats. Implemented: ORS 731.554 and 731.574

**RULE SUMMARY**

This rule provides the Insurance Division with an additional tool to determine whether a property and casualty insurer falls within a risk based capital (RBC) company action level. Current rules define a company action level as an RBC ratio of 200 percent. This rule requires the Division to take action if a company's RBC falls between 200 and 300 percent and its combined ratio is above 120 percent. This additional tool assists in determining whether an insurer is maintaining adequate capital and surplus to meet statutory requirements and policyholder obligations.

The changes to the rules also correct and update internal references.

_____ (Signed) Authorized Signer	Teresa Miller, Insurance Administrator Printed Name	October 27, 2011 Date
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\*With this original, file one photocopy of certificate, one paper copy of rules listed in Rulemaking Actions, and electronic copy of rules.

\*\*The Oregon Bulletin is published the 1st of each month and updates rules found in the OAR Compilation. For publication in Bulletin, rule and notice filings must be submitted by 5:00 pm on the 15th day of the preceding month unless this deadline falls on a weekend or legal holiday, when filings are accepted until 5:00 pm on the preceding workday. ARC 930-2005