

(III) INCOME AND EXPENSES; AND

(IV) RETURN ON INVESTED SURPLUS; AND

(3) MANAGEMENT'S EVALUATION OF THE FINANCIAL POSITION OF THE SOCIETY WHICH SHALL INCLUDE AN ANALYSIS INDICATING WHETHER SUFFICIENT RESOURCES EXIST TO JUSTIFY PROVIDING A DIVIDEND OR SIMILAR DISTRIBUTION TO MEMBERS IN THE CURRENT YEAR AND, IF NOT, HOW THE CURRENT CIRCUMSTANCES VARY FROM PRIOR YEARS IN WHICH SUCH DISTRIBUTIONS HAVE BEEN MADE.

(B) (1) ANY RATE FILING BY THE SOCIETY SHALL INCLUDE THE INFORMATION REQUIRED UNDER SUBSECTION (A) OF THIS SECTION.

(2) BEFORE ANY RATE FILING BY THE SOCIETY WHICH WOULD RESULT IN AN AGGREGATE INCREASE IN PREMIUM OF GREATER THAN 7.5% MAY BECOME EFFECTIVE, THE COMMISSIONER SHALL DETERMINE WHETHER OTHER FINANCIAL RESOURCES OF THE SOCIETY COULD PRUDENTLY BE APPLIED IN LIEU OF INCREASED PREMIUMS.

(3) IF THE COMMISSIONER DETERMINES OTHER FINANCIAL RESOURCES OF THE SOCIETY MAY BE USED IN LIEU OF PREMIUMS, THE COMMISSIONER SHALL ORDER THE RATES FILED TO BE REDUCED.

(C) (1) BEFORE THE SOCIETY MAY PAY TO ITS MEMBERS A DIVIDEND OR SIMILAR DISTRIBUTION, THE SOCIETY SHALL PROVIDE TO THE COMMISSIONER, USING A METHODOLOGY PRESCRIBED BY THE COMMISSIONER, AN ANALYSIS INDICATING THE EXTENT TO WHICH THE DISTRIBUTION RESULTS FROM ANY EXCESS OF PREMIUMS COLLECTED OVER ACCUMULATED LOSSES FOR INCIDENTS ARISING IN ANY PREMIUM YEAR DURING WHICH THE STATE PROVIDED FINANCIAL ASSISTANCE.

(2) (I) TO THE EXTENT THE ANALYSIS REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION DETERMINES THAT FUNDS AVAILABLE FOR DISTRIBUTION ARE ATTRIBUTED TO A YEAR IN WHICH FINANCIAL ASSISTANCE IS PROVIDED, THE COMMISSIONER SHALL ORDER THE SOCIETY TO PAY A PORTION OF THE DISTRIBUTION TO THE STATE.

(II) THE AMOUNT PAID TO THE STATE SHALL BE DETERMINED BASED ON THE RATIO OF STATE EXPENDITURES FOR FINANCIAL ASSISTANCE TO TOTAL PREMIUMS EARNED FOR EACH PREMIUM YEAR FOR WHICH STATE FINANCIAL ASSISTANCE WAS MADE.

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(A) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, THE COMMISSIONER MAY DETERMINE THAT THE SURPLUS OF THE SOCIETY IS EXCESSIVE IF:

(1) THE TOTAL SURPLUS IS GREATER THAN THE APPROPRIATE RISK BASED CAPITAL REQUIREMENTS, AS DETERMINED BY THE COMMISSIONER, FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR; AND