

507C.17A Rehabilitation or liquidation of certain covered domestic insurers.

1. The provisions of [this section](#) apply in accordance with Tit. II of the federal Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, 12 U.S.C. §5301 et seq., with respect to a domestic insurer that is a covered financial company, as that term is defined under 12 U.S.C. §5381.

2. The commissioner may petition the district court for an order of rehabilitation or liquidation of a domestic insurer pursuant to [this section](#) on any of the following grounds:

a. Upon a determination and notification given by the secretary of the treasury of the United States, in consultation with the president of the United States, that the insurer is a covered financial company satisfying the requirements of 12 U.S.C. §5383(b), and the board of directors, or a body performing similar functions of a board of directors, of the insurer acquiesces or consents to the appointment of a receiver pursuant to 12 U.S.C. §5382(a)(1)(A)(i) with such consent to be considered as consent to an order of rehabilitation or liquidation.

b. Upon an order of the United States district court for the District of Columbia under 12 U.S.C. §5382(a)(1)(A)(iv)(I) granting the petition of the secretary of the treasury of the United States concerning the insurer under 12 U.S.C. §5382(a)(1)(A)(i).

c. A petition by the secretary of the treasury of the United States concerning the insurer is granted by operation of law under 12 U.S.C. §5382(a)(1)(A)(v).

3. Notwithstanding any other provision of law to the contrary, after notice to the insurer, a district court may grant an order of rehabilitation or liquidation within twenty-four hours after the filing of such a petition pursuant to [this section](#).

4. If the district court does not make a determination on a petition for an order of rehabilitation or liquidation filed by the commissioner pursuant to [this section](#) within twenty-four hours after the filing of the petition, the order shall be deemed granted by operation of law upon the expiration of the twenty-four-hour period.

a. At the time that an order is deemed granted under [this subsection](#), the provisions of [this chapter](#) shall be deemed to be in effect, and the commissioner shall be deemed to be affirmed as receiver and to have all of the applicable powers provided by [this chapter](#), regardless of whether an order has been entered by the district court.

b. If an order is deemed granted by operation of law under [this subsection](#), the district court shall expeditiously enter an order of rehabilitation or liquidation that does all of the following:

(1) Is effective as of the date that the order is deemed granted by operation of law.

(2) Conforms to the provisions for rehabilitation or liquidation of an insurer contained in [this chapter](#), as applicable.

5. An order of rehabilitation or liquidation made pursuant to [this section](#) shall not be subject to a stay or injunction pending appeal.

6. Nothing in [this section](#) shall be construed to supersede or impair any other power or authority of the commissioner or the district court under [this chapter](#).

[2013 Acts, ch 124, §10, 31](#)