

1 STATE OF OKLAHOMA

2 2nd Session of the 56th Legislature (2018)

3 HOUSE BILL 2613

By: Tadlock

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5
6 AS INTRODUCED

7 An Act relating to insurance; amending 36 O.S. 2011,
8 Section 4809, as amended by Section 1, Chapter 317,
9 O.S.L. 2017 (36 O.S. Supp. 2017, Section 4809), which
10 relates to special or reduced rate for fire
11 insurance; modifying exception; and providing an
12 effective date.

13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 36 O.S. 2011, Section 4809, as
15 amended by Section 1, Chapter 317, O.S.L. 2017 (36 O.S. Supp. 2017,
16 Section 4809), is amended to read as follows:

17 Section 4809. A. Except as otherwise provided in this
18 subsection, no property or casualty insurance company shall give any
19 special or reduced rate for fire insurance on any risk because it is
20 located in a rural fire protection district or in an area protected
21 by a rural fire department in which the district or department is
22 wholly or partially funded by dues or subscription payments paid by
23 owners of property who are members of an association supporting the
24 rural fire department to any person who fails or refuses to pay the
appropriate dues or subscription payments for support of the

1 district or department pursuant to the procedure outlined in
2 subsection C of this section. Property and casualty insurance
3 companies providing a fire run service benefit payment within the
4 fire insurance policy and provide coverage within the fire insurance
5 policy of an amount of at least Two Thousand Dollars (\$2,000.00)
6 shall not be subject to this subsection.

7 B. Property owners owning property in more than one fire
8 district or fire department area relying on dues or subscriptions
9 for partial or complete funding shall pay dues to a fire district or
10 fire department in whose district or area they own property if they
11 wish to receive special or reduced rates for property and casualty
12 insurance.

13 C. Except as otherwise provided in this subsection, it is
14 unlawful for any insurance agent or company to knowingly write an
15 initial policy of fire insurance coverage on any risk located in a
16 rural fire protection district or in any area protected by a rural
17 fire department at any special or reduced rate or with any rate
18 credit based on location of the risk in the district or area without
19 having first obtained from the insured or from the rural fire
20 protection district or rural fire department evidence that current
21 dues or subscription payments, if any, for the property to be
22 insured have been paid. Following the writing of the initial
23 policy, the insurance agent or company shall obtain evidence of
24 successful payment of current dues or subscription payments

1 annually. The evidence required by the insurer may be a receipt,
2 canceled check, or other valid proof of payment. Any insurance
3 agent or company writing a policy of fire insurance coverage
4 providing a fire run service benefit payment within the fire
5 insurance policy shall not be subject to this subsection.

6 D. If any agent is found by the Insurance Commissioner to have
7 violated the provisions of this subsection, the agent shall be
8 liable for an administrative penalty of Twenty-five Dollars (\$25.00)
9 for the first violation and Fifty Dollars (\$50.00) for any
10 subsequent violation.

11 SECTION 2. This act shall become effective November 1, 2018.

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