

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 371

By: Quinn

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7 AS INTRODUCED

8 An Act relating to fire insurance; amending 36 O.S.
9 2011, Section 4809, which relates to reduced rates to
10 persons failing or refusing to pay assessments;
11 modifying certain unlawful acts; 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, is
15 amended to read as follows:

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

1 payments for support of the district or department pursuant to the
2 procedure outlined in subsection C of this section.

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

9 C. It is unlawful for any insurance agent or company to
10 knowingly write an initial policy of fire insurance coverage or to
11 ~~rewrite~~ renew such a policy on any risk located in a rural fire
12 protection district or in any area protected by a rural fire
13 department at any special or reduced rate or with any rate credit
14 based on location of the risk in the district or area without having
15 first obtained from the insured or from the rural fire protection
16 district or rural fire department evidence that current dues or
17 subscription payments, if any, for the property to be insured have
18 been paid. The evidence required by the insurer may be a receipt,
19 canceled check, or other valid proof of payment.

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

1 SECTION 2. This act shall become effective November 1, 2017.

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