

An Act

ENROLLED SENATE
BILL NO. 495

By: Sparks of the Senate

and

Coody of the House

An Act relating to fire insurance; amending 36 O.S. 2011, Section 4809, which relates to reduced insurance rates; providing certain exception; removing certain prohibition on rewriting insurance policies; requiring insurers to obtain evidence of certain payment annually; providing certain exemption; and providing an effective date.

SUBJECT: Fire insurance

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 4809, is amended to read as follows:

Section 4809. A. ~~No~~ Except as otherwise provided in this subsection, no property or casualty insurance company shall give any special or reduced rate for fire insurance on any risk because it is located in a rural fire protection district or in an area protected by a rural fire department in which the district or department is wholly or partially funded by dues or subscription payments paid by owners of property who are members of an association supporting the rural fire department to any person who fails or refuses to pay the appropriate dues or subscription payments for support of the district or department pursuant to the procedure outlined in subsection C of this section. Property and casualty insurance

companies providing a fire run service benefit payment within the fire insurance policy shall not be subject to this subsection.

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

C. ~~It~~ Except as otherwise provided in this subsection, it is unlawful for any insurance agent or company to knowingly write an initial policy of fire insurance coverage or to rewrite such a policy on any risk located in a rural fire protection district or in any area protected by a rural fire department at any special or reduced rate or with any rate credit based on location of the risk in the district or area without having first obtained from the insured or from the rural fire protection district or rural fire department evidence that current dues or subscription payments, if any, for the property to be insured have been paid. Following the writing of the initial policy, the insurance agent or company shall obtain evidence of successful payment of current dues or subscription payments annually. The evidence required by the insurer may be a receipt, canceled check, or other valid proof of payment. Any insurance agent or company writing a policy of fire insurance coverage providing a fire run service benefit payment within the fire insurance policy shall not be subject to this subsection.

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

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

Passed the Senate the 11th day of May, 2017.

Presiding Officer of the Senate

Passed the House of Representatives the 13th day of April, 2017.

Presiding Officer of the House
of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____