

ENGROSSED HOUSE  
BILL NO. 1792

BY: HAMILTON (Jeff) of the  
HOUSE

and

HERBERT of the SENATE

AN ACT RELATING TO DEBTOR AND CREDITOR; AMENDING 24

O.S. 1991, SECTION 13, WHICH RELATES TO CREDIT LIFE  
INSURANCE POLICIES; PROVIDING FOR CERTAIN NOTICE TO  
DEBTORS; PROVIDING TIME PERIOD FOR NOTICE; AND  
PROVIDING AN EFFECTIVE DATE.

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

SECTION 1. AMENDATORY 24 O.S. 1991, Section 13, is  
amended to read as follows:

Section 13. A. Whenever a credit life insurance policy or  
other insurance policy is obtained on the life of a debtor under or  
pursuant to the terms of a contract for the sale of a motor vehicle,  
merchandise or other property, the person, firm, company or  
corporation obtaining or receiving the policy shall furnish a copy  
of the policy, or a certificate or statement of insurance in the  
case of a group policy, to the insured not later than thirty (30)  
days after receipt thereof. Such policy shall be on a form approved  
by the State Insurance Commissioner, and the principal amount  
payable thereunder shall not be in excess of the total amount the  
debtor agrees to pay when he enters into such contract, provided,  
however, that where the indebtedness is repayable in installments,  
the amount of the insurance shall not exceed the approximate unpaid

balance of the loan. If all amounts payable under such contract are paid before the same become due, such policy shall be cancelled at the request of the insured who shall be paid any refund for unearned premium on the policy within fifteen (15) days after such cancellation.

B. Whenever a credit life insurance policy or other insurance policy obtained pursuant to this section is denied or cancelled prior to the satisfaction of the debt by the insurer, notice shall be given by the insurer to the debtor by certified mail with return receipt requested within sixty (60) days of the denial or cancellation.

SECTION 2. This act shall become effective September 1, 1992.

Passed the House of Representatives the 2nd day of March, 1992.

Speaker of the House of  
Representatives

Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 1992.

President of the Senate