ENGROSSED HOUSE
BILL NO. 1104

By: Widener, Glover, Rice and Adair of the House

and

Price of the Senate

An Act relating to insurance; amending 36 O.S. 1991, Section 2801, which relates to farmers' mutual fire insurance associations; authorizing certain persons in class 7 towns and cities to associate to insure property; and declaring an emergency.

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

SECTION 1. AMENDATORY 36 O.S. 1991, Section 2801, is amended to read as follows:

Section 2801. Any fifty (50) or more persons of lawful age, who shall be resident, bona fide farmers, and collectively shall own property of not less than Twenty-five Thousand Dollars ($25,000.00), which they desire to have insured, may associate themselves together for the purpose of insuring any or all rural property located in this state, and including property located within the corporate limits of communities, towns and cities classified by Insurance Service Organizations or its successor as <u>class 7 towns and cities with populations of four thousand (4,000) persons or less and</u> class 8, 9 and 10 communities, in a territory not exceeding forty-five counties, as provided in this article, against loss by fire, lightning, tornado, and theft, and against property and liability

loss and to provide extended coverage, and they may assess upon and collect from each other such sums of money as from time to time may be necessary to pay losses, occurring from fire, lightning, tornado, and theft, property and liability loss and protection for the events provided by extended coverage insurance, to insured members of such associations. The assessment and collection of such sums of money shall be prescribed and regulated by the bylaws of such association.

SECTION 2. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

Passed the House of Representatives the 6th day of March, 1995.

Speaker of the House of Representatives

Passed the Senate the ____ day of _____, 1995.

President of the Senate