

ENGROSSED SENATE
BILL NO. 276

By: Stipe of the Senate

and

Toure of the House

An Act relating to insurance; creating a statutory cause of action for bad faith failure or refusal to timely pay certain claims; providing remedies and making remedies and actions cumulative; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1.1 of Title 76, unless there is created a duplication in numbering, reads as follows:

Any insurer which fails or refuses willfully and in bad faith to pay a lawful and valid claim of any person to whom the insurer or its insured is liable under a policy of insurance in a timely fashion shall be liable in tort for any damages occasioned by the failure or refusal and for punitive damages. The provisions of this section shall be in addition to any other remedy or cause of action otherwise available.

SECTION 2. This act shall become effective November 1, 1995.

Passed the Senate the 27th day of February, 1995.

President of the Senate

Passed the House of Representatives the ____ day of
_____, 1995.

Speaker of the House of
Representatives