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STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

HOUSE BILL NO. 1374

By: Davis

AS INTRODUCED

An Act relating to insurance; requiring insurance agents to explain extended coverage provisions prior to execution of certain insurance contracts; requiring purchaser to execute a written rejection of extended coverage; authorizing the Insurance Commissioner to promulgate rules; 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 3623.2 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. Prior to the execution of a contract for insurance which provides extended coverage on property or on a motor vehicle, the agent shall provide an explanation of the cost and coverage provided by the extended coverage provisions of the contract to the purchaser of the insurance.

B. If the purchaser chooses to reject the extended coverage, the purchaser shall sign a written rejection of the coverage.

C. The Insurance Commissioner shall promulgate rules necessary to implement the provisions of this act.

SECTION 2. This act shall become effective November 1, 1997.

46-1-5845

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