STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 2692 By: Cox

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 1991, Section 110, as last amended by Section 2, Chapter 418, O.S.L. 1997 (36 O.S. Supp. 1997, Section 110), which relates to the application of the Oklahoma Insurance Code; clarifying language; and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 1991, Section 110, as last amended by Section 2, Chapter 418, O.S.L. 1997 (36 O.S. Supp. 1997, Section 110), is amended to read as follows:

Section 110. No provision of the Oklahoma Insurance Code~~, Section 101 et seq. of this title,~~ shall apply to:

1. Nonprofit hospital service and medical indemnity corporations, except as stated in Sections 601 et seq. and 2601 et seq. of this title;

2. Fraternal benefit societies, except as stated in Section 2701.1 et seq. of this title;

3. Farmers' mutual fire insurance associations, except as stated in Section 2801 et seq. of this title;

4. Mutual benefit associations, except as stated in Section 2401 et seq. of this title;

5. Domestic burial associations;

6. Any domestic association organized subject to the supervision or by the authority of any incorporated Grange Order of Patrons of Husbandry, when the association is formed exclusively for the mutual benefit of the members of such order. Effective January 1, 1982, The Oklahoma State Union of the Farmers' Educational and Cooperative Union of America shall comply with all provisions of the Oklahoma Insurance Code;

7. Trust companies organized pursuant to the provisions of Title 6 of the Oklahoma Statutes except that the title insurance and surety insurance business of such trust companies shall be subject to the Oklahoma Insurance Code;

8. Soliciting agents of mutual insurance corporations or associations, operating only in this state, that issue no stock or other form of security, do not operate for profit, and have none of their funds inure to the benefit of individuals except in the form of less expensive insurance and necessary expenses of operation, if provisions are made in the bylaws of the insurer for the election of any soliciting agents by a majority of the policyholders in the area where the soliciting agent solicits insurance;

9. The Mutual Aid Association of the Church of the Brethren or the Mutual Aid Association of the Mennonite and Brethren in Christ;

10. Incorporated or unincorporated banking associations having been in existence for over fifteen (15) years and consisting of more than seventy-five (75) member banks within this state for issuance of blanket fidelity bonds for banks within this state for each bank's own use, or any nonprofit trust sponsored by such associations' member banks providing employee benefits such as life, health, accident, disability, pension and retirement benefits for

banks, bank holding companies and subsidiaries thereof, the associations' employees and associate members; or

11. A religious publication, or subscribers of the publication, when the publication:

a. is a nonprofit religious organization,

b. is limited to subscribers who are members of the same denomination or religion,

c. acts as an organizational clearinghouse for information between subscribers who have financial, physical or medical needs and subscribers with the present ability to pay subscribers with present financial or medical needs,

d. provides for the financial or medical needs of a subscriber through payments directly from one subscriber to another, and

e. suggests amounts that subscribers may voluntarily give with no assumption of risk or promise to pay either among the subscribers or between the subscribers and the publication.

SECTION 2. This act shall become effective November 1, 1998.

46-2-8097 SD