

SHORT TITLE: Insurance; adding conditions under which insurance carriers may not take certain actions regarding motor vehicle insurance policies; repealer; effective date.

STATE OF OKLAHOMA

1st Session of the 46th Legislature (1997)

SENATE BILL NO. 450

By: Robinson

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 1991, Section 941, which relates to conditions under which insurance carriers may not take certain actions regarding motor vehicle insurance policies; adding conditions under which such actions may not be taken; vesting exclusive jurisdiction in Insurance Commissioner to make certain determination and provide certain remedy; repealing 36 O.S. 1991, Sections 942 and 943, which relate to conditions under which insurance carriers may not take certain actions regarding motor vehicle insurance policies; and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 1991, Section 941, is amended to read as follows:

Section 941. A. No insurance carrier ~~who~~ that issues motor vehicle insurance policies in this state shall assign driving record points, cancel, refuse to renew or increase the premium rate for any motor vehicle liability or collision insurance policy for the reason that the insured has been involved in a motor vehicle collision and was not at fault.

B. This section shall not apply to an insured who has been convicted of:

1. Homicide or assault arising out of the operation of any motor vehicle; or

2. A violation of Sections 11-902 or 761 of this title as being impaired by or under the influence of alcohol or intoxicating liquor or who was under the influence of any substance included in the Uniform Controlled Dangerous Substances Act.

C. No insurance carrier that issues motor vehicle insurance policies in this state shall establish or apply premium rates, increase premium rates, cancel a policy, or refuse to issue or renew a policy based on any traffic record maintained by the Department of Public Safety which covers a period of time more than three (3) years prior to the date the insurance carrier makes a determination to take any such action.

D. No insurance carrier that issues motor vehicle insurance policies in this state shall use traffic complaints, traffic citations, or other legal forms of traffic charges as a basis for cancellation of a motor vehicle insurance policy, increasing premium rates for a motor vehicle insurance policy, or refusing to issue or renew a motor vehicle insurance policy, where:

1. The insured was acquitted of the charge;
2. The insured was arrested and no charges were filed; or
3. The insured was arrested and the charges were dismissed.

E. The Exclusive jurisdiction is vested in the Insurance Commissioner to determine if a violation of the provisions of this section has occurred and to provide a remedy for the violation. The Commissioner may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance business in this state of any insurance carrier violating the provisions of this section or may censure the insurer or impose a fine.

SECTION 2. REPEALER 36 O.S. 1991, Sections 942 and 943,
are hereby repealed.

SECTION 3. This act shall become effective November 1, 1997.

46-1-0939 JY