

HOUSE OF REPRESENTATIVES
Monday, February 22, 1999

Committee Substitute for House Bill No. 1663

COMMITTEE SUBSTITUTE FOR HOUSE BILL NO. 1663 -- By HILLIARD of the House and WEEDN of the Senate.

An Act relating to insurance; authorizing certain organizations to convert certain prepaid funeral benefits to other prepaid funeral benefits; specifying such conversion; requiring the approval of the Insurance Commissioner for such conversion; stating purpose; requiring certain notification; requiring the filing of certain application on forms provided by the Commissioner; authorizing certain investments in certain annuities; specifying such annuities; providing for codification; providing an effective date; and declaring an emergency.

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 6136.18 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. Member organizations may convert trust-funded prepaid funeral benefits to insurance-funded prepaid funeral benefits. Such conversion shall be subject to the provisions of Section 6125.2 of Title 36 of the Oklahoma Statutes.

B. The Commissioner must approve a conversion from trust-funded prepaid funeral benefits to insurance-funded prepaid funeral benefits as safeguarding the rights and interests of the individual who purchases the prepaid funeral benefits contract.

C. Each contract purchaser or holder shall be notified in writing of:

1. The terms of the proposed conversion including those terms set out in Section 6125.2 of Title 36 of the Oklahoma Statutes; and

2. The holder's right to decline the conversion.

D. An application for approval of a conversion from trust-funded prepaid funeral benefits to insurance-funded prepaid funeral benefits must be filed with the Commissioner on forms prescribed by the Commissioner.

E. In addition to the other investments permitted by this section, funds deposited pursuant to this section may be invested in the purchase of contracts of annuities as authorized by Section 702 of this title.

SECTION 2. This act shall become effective July 1, 1999.

SECTION 3. 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.

COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 2-18-99 -- DO PASS, As Coauthored.