

STATE OF OKLAHOMA

2nd Session of the 47th Legislature (2000)

HOUSE BILL HB2577

By: Cox

AS INTRODUCED

An Act relating to insurance; amending Section 1, Chapter 83, O.S.L. 1999 (36 O.S. Supp. 1999, Section 981), which relates to the Commercial Property and Casualty Competitive Loss Cost Rating Act; clarifying language; and providing an effective date.

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

SECTION 1. AMENDATORY Section 1, Chapter 83, O.S.L. 1999 (36 O.S. Supp. 1999, Section 981), is amended to read as follows:

Section 981. Short Title and Purposes of Act.

A. Sections ~~1~~ 981 through ~~18~~ 998 of this ~~act~~ title shall constitute a part of the Oklahoma Insurance Code and shall be known and may be cited as the "Commercial Property and Casualty Competitive Loss Cost Rating Act".

B. The purposes of the Commercial Property and Casualty Competitive Loss Cost Rating Act are:

1. To promote price competition among insurers so as to provide rates that are responsive to competitive market conditions;

2. To protect policyholders and the public against the adverse effects of excessive, inadequate or unfairly discriminatory rates;

3. To prohibit price-fixing agreements and other anticompetitive behavior by insurers;

4. To provide regulatory procedures for the maintenance of appropriate data reporting systems;

5. To provide regulatory controls in the absence of competition;

6. To authorize essential cooperative action among insurers in the ratemaking process and to regulate such activity to prevent practices that substantially lessen competition or create a monopoly; and

7. To authorize the Commissioner of Insurance to exempt from the provisions of the Commercial Property and Casualty Competitive Loss Cost Rating Act certain lines of property/casualty insurance which are not suitable for such regulation.

SECTION 2. This act shall become effective November 1, 2000.

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