

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

SENATE BILL NO. 16

By: Weedn

AS INTRODUCED

An Act relating to motor vehicle insurance; amending 47 O.S. 1991, Section 7-608, as last amended by Section 3, Chapter 322, O.S.L. 1997 (47 O.S. Supp. 1998, Section 7-608), which relates to compulsory liability insurance; clarifying language; expanding circumstances in which certain insurers must give notice to the Department of Public Safety of the termination or cancellation of certain insurance coverage; requiring additional information in the notice; creating exception to requirement that the Department give certain notice; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 1991, Section 7-608, as last amended by Section 3, Chapter 322, O.S.L. 1997 (47 O.S. Supp. 1998, Section 7-608), is amended to read as follows:

Section 7-608. A. Each insurance carrier, which issues a motor vehicle liability policy pursuant to the provisions of ~~Sections~~ Section 7-601, et seq. through 7-610 of this title, shall provide notice, either by means of written or electronic communication, to the Department of Public Safety of ~~the~~ any termination or cancellation of the policy ~~for nonpayment or refund of premium if the termination is final and occurs within the first one hundred eighty (180) days of the inception date of such policy. Each insurance carrier also shall provide such notice for any such policy which has been issued for a period of less than six (6) months which expires without renewal. Any~~ The notice required by this subsection shall include the reason for the termination or cancellation and shall be provided to the Department within a reasonable time after the expiration of any applicable grace period. The insurance

carrier shall indicate in the notice whether or not its insured has a motor vehicle liability policy issued by the carrier in force on any other vehicle.

~~B. If an insurance carrier, required to provide notification pursuant to subsection A of this section, has knowledge that relinquishment of vehicle ownership is the reason for termination or expiration without renewal of a policy, that fact shall be included in the notification.~~

~~C.~~ The Department of Public Safety shall promulgate rules governing the notification requirements specified in ~~subsections subsection~~ subsection A and B of this section, including the development of procedures which would permit insurance carriers to provide the required notices to the Department by means of written or electronic communication on a monthly basis.

~~D.~~ C. Upon receipt of a notice of termination or cancellation of ~~insurance~~ a motor vehicle liability policy from a carrier pursuant to subsection A of this section except when the termination or cancellation is because of a change in the ownership of the vehicle and the insured has another motor vehicle liability policy issued by the carrier, the Department of Public Safety shall notify the vehicle owner of the receipt of the termination or cancellation notice and shall request proof of insurance from the vehicle owner. Within thirty (30) days of the postmark date of the request for proof of insurance, the vehicle owner shall submit such proof of insurance on a form prescribed by the Department. ~~The Department shall not be required to notify or request proof of insurance from a former vehicle owner if the Department receives the notification as provided in subsection B of this section, unless the Department has reason to believe that the person should be maintaining an operator's policy.~~

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

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