

STATE OF OKLAHOMA

1st Session of the 48th Legislature (2001)

HOUSE BILL HB1760

By: Coleman

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 1991, Sections 4030.1, as amended by Section 7, Chapter 294, O.S.L. 1994 and 4112, as amended by Section 96, Chapter 418, O.S.L. 1997 (36 O.S. Supp. 2000, Sections 4030.1 and 4112), which relate to forms to establish proof of death; eliminating need for death certificate of insured as proof of death in certain circumstances; providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 1991, Section 4030.1, as amended by Section 7, Chapter 294, O.S.L. 1994 (36 O.S. Supp. 2000, Section 4030.1), is amended to read as follows:

Section 4030.1 A. Within ten (10) days after an insurer receives written notification of the death of a person covered by a policy of life insurance, the insurer shall provide to the claimant the necessary forms to be completed to establish proof of the death of the insured and, if required by the policy, the interest of the claimant. If the policy contains a provision requiring surrender of the policy prior to settlement, the insurer shall include a written statement to that effect with the forms to be completed. Forms to establish proof of death and proof of the interest of the claimant shall be approved by the Insurance Commissioner.

B. An insurer shall pay the proceeds of any benefits under a policy of life insurance not more than thirty (30) days after the insurer has received proof of death of the insured. If the proceeds are not paid within this period, the insurer shall pay interest on the proceeds, at a rate which is not less than the current rate of interest on death proceeds on deposit with the insurer, from the

date of death of the insured to the date when the proceeds are paid. Should the insurer hold its deposits in a noninterest bearing account, the rate of interest to be paid shall be the same rate of interest as the average United States Treasury Bill rate of the preceding calendar year, as certified to the Insurance Commissioner by the State Treasurer on the first regular business day in January of each year, plus two (2) percentage points, which shall accrue from the thirty-first day after receipt of proof of loss until the proceeds are paid. Payment shall be deemed to have been made on the date a check, draft or other valid instrument which is equivalent to payment was placed in the U.S. mails in a properly addressed, postpaid envelope; or, if not so posted, on the date of delivery of such instrument to the beneficiary.

C. Subsection B of this section shall not apply to any life insurance policy issued before October 1, 1978, which contains specific provisions to the contrary.

D. For purposes of this section, if a death certificate has not been issued for an insured because the body of the insured has not been recovered, a beneficiary shall not be required to provide a death certificate as proof of death to the insurer if a person has been convicted of murdering the insured.

SECTION 2. AMENDATORY 36 O.S. 1991, Section 4112, as amended by Section 96, Chapter 418, O.S.L. 1997 (36 O.S. Supp. 2000, Section 4112), is amended to read as follows:

Section 4112. A. An insurer shall pay the proceeds of any benefits under group life insurance policy not more than thirty (30) days after the insurer has received proof of death of the insured. If the proceeds are not paid within this period, the insurer shall pay interest on the proceeds, at a rate which is not less than the current rate of interest on death proceeds on deposit with the insurer, from the date of death of the insured to the date when the proceeds are paid. Payment shall be deemed to have been made on the

date a check, draft or other valid instrument which is equivalent to payment was placed in the U.S. mails in a properly addressed, postpaid envelope; or, if not so posted, on the date of delivery of such instrument to the beneficiary.

B. For purposes of this section, if a death certificate has not been issued for an insured because the body of the insured has not been recovered, a beneficiary shall not be required to provide a death certificate as proof of death to the insurer if a person has been convicted of murdering the insured.

SECTION 3. This act shall become effective November 1, 2000.

48-1-5145            DLW            6/12/15