STATE OF OKLAHOMA

2nd Session of the 48th Legislature (2002)

SENATE BILL 1535 By: Dunlap

AS INTRODUCED

An act relating to motor vehicles; creating the Oklahoma Automobile Injury Reparations Act; providing short title; stating purpose; defining terms; requiring certain liability insurance coverage, providing exceptions; prohibiting operation of certain vehicles; requiring proof of insurance; stating procedures for proof of insurance; describing grounds for citations of noncompliance and remedial measures; specifying qualifications for self-insurance; allowing Insurance Commissioner to cancel self-insurance under certain circumstances; stating certain duties of self-insureds; defining term; construing certain provision; establishing certain penalties for non-compliance; stating certain exceptions; mandating non-resident compliance; specifying compliance procedures for certain companies; specifying contents of certain policies; construing certain contracts; stating exceptions; authorizing certain exclusions of coverage and benefits; requiring payment for specified injuries; establishing procedure for payment of certain benefits; allowing compensation for certain services; authorizing payment of certain rehabilitation benefits; providing for recovery against certain tortfeasors; stating certain subrogation rights; requiring certain attorney fees; allowing certain insurers to obtain specified information; authorizing certain examinations; mandating organization and maintenance of assigned claims plans; establishing eligibility for certain plans; stating subrogation rights; stating certain rights and obligations; requiring participation in certain plans; providing penalties; authorizing recovery of certain damages; prohibiting certain registration for uninsured motor vehicles; defining term; specifying procedure for termination or cancellation of coverage; authorizing Commissioner of Public Safety to require insurance coverage and evidence of coverage under certain circumstances; establishing procedure for termination of insurance; providing penalty; providing procedures for suspension or revocation of driving privileges; defining term; prohibiting false certification of registration; defining term; authorizing certain Commissioners to promulgate certain rules; construing act; repealing 47 O.S. 2001, Sections 7-600, 7-601, 7-601.1, 7-601.2, 7-602, 7-602.1, 7-603, 7-605, 7-606, 7-607, 7-608, and 7-609, which relate to motor vehicle liability insurance; providing for codification; and providing an effective date.

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 7-701 of Title 47, unless there is created a duplication in numbering, reads as follows:

Sections 1 through 20 of this act shall be known and may be cited as the "Oklahoma Automobile Injury Reparations Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-702 of Title 47, unless there is created a duplication in numbering, reads as follows:

The purpose of the Oklahoma Automobile Injury Reparations Act is to provide a means of compensating persons promptly for accidental bodily injury arising out of the ownership, operation, maintenance or use of motor vehicles in lieu of liability for damages.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-703 of Title 47, unless there is created a duplication in numbering, reads as follows:

As used in the Oklahoma Automobile Injury Reparations Act:

1. "Disability benefits" means allowances for loss of monthly earnings due to an injured person's inability to engage in available and appropriate gainful activity, subject to the following conditions and limitations:

a. the injury sustained is the proximate cause of the injured person's inability to engage in available and appropriate gainful activity,

b. subject to the maximum benefits stated in the Oklahoma Automobile Injury Reparations Act, allowances shall equal one hundred percent (100%) of any such loss per individual, unless such allowances are deemed not includable in gross income for federal income tax purposes, in which event such allowances shall be limited to eighty-five percent (85%), and

c. allowances shall be made up to a maximum of not less than Nine Hundred Dollars ($900.00) per month not to exceed one (1) year after the date the injured person becomes unable to engage in available and appropriate gainful activity;

2. "Funeral benefits" means allowances for funeral, burial or cremation expenses in an amount not to exceed Two Thousand Dollars ($2,000.00) per individual;

3. "Highway" means the entire width between the boundary lines of every way publicly maintained when any part thereof is open to the use of the public for purposes of vehicular travel;

4. "Implement of husbandry" means every vehicle designed or adapted and used exclusively for agricultural operations and only incidentally operated or moved upon the highways;

5. "Insurer" means any insurance company authorized to transact business in this state which issues policies of motor vehicle liability insurance covering liability arising out of the ownership, operation, maintenance or use of a motor vehicle;

6. "Injured person" means any person suffering injury;

7. "Injury" means bodily harm, sickness, disease or death resulting from an accident arising out of the ownership, maintenance or use of a motor vehicle;

8. "Lienholder" means a person holding a security interest in a vehicle;

9. "Medical benefits" means and includes allowances for all reasonable expenses, up to a limit of not less then Four Thousand Five Hundred Dollars ($4,500.00), for necessary health care rendered by practitioners licensed to practice any branch of the healing arts or licensed psychologists, surgical, x-ray and dental services, including prosthetic devices and necessary ambulance, hospital and nursing services. The term also includes allowances for services recognized and permitted under the laws of this state for an injured

person who relies upon spiritual means through prayer alone for healing in accordance with such person's religious beliefs;

10. "Monthly earnings" means:

a. in the case of a regularly employed person or a person regularly self-employed, one-twelfth (1/12) of the annual earnings at the time of injury, or

b. in the case of a person not regularly employed or self-employed, or of an unemployed person, one-twelfth (1/12) of the anticipated annual earnings from the time such person would reasonably have been expected to be regularly employed. In calculating the anticipated annual earnings of an unemployed person who has previously been employed, the insurer shall average the annual compensation of such person for not to exceed five (5) years preceding the year of injury or death, during which such person was employed;

11. "Motor vehicle" means every self-propelled vehicle of a kind required to be registered in this state, including any trailer, semitrailer or pole trailer designed for use with such vehicle, but such term does not include a motorized bicycle;

12. "Operator" means any person who drives or is in actual physical control of a motor vehicle upon a highway or who is exercising control over or steering a vehicle being towed by a motor vehicle;

13. "Owner" means a person, other than a lienholder, having property in or title to a motor vehicle, including a person who is entitled to the use and possession of a motor vehicle subject to a security interest held by another person, but such term does not include a lessee under a lease not intended as security;

14. "Person" means an individual, partnership, corporation or other association of persons;

15. “Personal injury protection benefits” means the disability benefits, funeral benefits, medical benefits, rehabilitation benefits, substitution benefits and survivors’ benefits required to be provided in motor vehicle liability insurance policies;

16. “Rehabilitation benefits” means allowances for all reasonable expenses, up to a limit of not less than Four Thousand Five Hundred Dollars ($4,500.00), for necessary psychiatric or psychological services, occupational therapy and such occupational training and retraining as may be reasonably necessary to enable the injured person to obtain suitable employment;

17. “Relative residing in the same household” means a relative of any degree by blood, marriage or adoption, who usually makes such person’s home in the same family unit, whether or not temporarily living elsewhere;

18. “Security interest” means an interest in a vehicle reserved or created by agreement and which secures payment or performance of an obligation. The term includes the interest of a lessor under a lease intended as security;

19. “Self-insurer” means any person effecting self-insurance pursuant to subsection F of Section 4 of this act, or any nonresident self-insurer that has filed the form prescribed in subsection B of Section 6 of this act;

20. “Special mobile equipment” means every vehicle not designed or used primarily for the transportation of persons or property and only incidentally operated or moved over a highway, including but not limited to: ditch-digging apparatus, well-boring apparatus and road construction and maintenance machinery such as asphalt spreaders, bituminous mixers, bucket loaders, tractors other than truck-tractors, ditchers, leveling graders, finishing machines, motor graders, road rollers, scarifiers, earth-moving carryalls and scrapers, power shovels and drag lines and self-propelled cranes and earth-moving equipment. The term does not include house trailers,

dump trucks, truck-mounted transit mixers, cranes, shovels, or other vehicles designed for the transportation of persons or property to which machinery has been attached;

21. "Substitution benefits" means allowances for appropriate and reasonable expenses incurred in obtaining other ordinary and necessary services in lieu of those that, but for the injury, the injured person would have performed for the benefit of such person or such person's family, subject to a maximum of Twenty-five Dollars ($25.00) per day for not longer than three hundred sixty-five (365) days after the date such expenses are incurred;

22. "Survivor" means a decedent's spouse, or child under eighteen (18) years of age;

23. "Survivors' benefits" means total allowances to all survivors for:

a. loss of an injured person's monthly earnings after such person's death, up to a maximum of not less than Nine Hundred Dollars ($900.00) per month, and

b. substitution benefits following the injured person's death.

Expenses of the survivors which have been avoided by reason of the injured person's death shall be subtracted from the allowances to which survivors would otherwise be entitled, and survivors' benefits shall not be paid for more than one (1) year after the injured person's death, less the number of months the injured person received disability benefits prior to such person's death. For purposes of this subsection, monthly earnings shall include, in the case of a person who was a social security recipient or a retirement or pension benefit recipient, or both, at the time of such injured person's death, one-twelfth (1/12) of the annual amount of the difference between the annual amount of the social security benefits or the retirement benefits, or both, that such injured person was receiving at the time of such injured person's death and the annual

amount of the social security benefits or the retirement benefits, or both, that the survivor is receiving after the time of such injured person's death;

24. "Uninsured motor vehicle" means any motor vehicle which is not included under an approved self-insurance plan of a self-insurer or for which there is not in effect a motor vehicle liability insurance policy meeting the requirements of the Oklahoma Automobile Injury Reparations Act; and

25. "Any workers' compensation law" means the workers' compensation laws of this state, the United States Longshoremen's and Harbor Workers' Compensation Act, the federal employer liability acts, and any similar state or federal law.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-704 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Every owner shall provide motor vehicle liability insurance coverage in accordance with the provisions of the Oklahoma Automobile Injury Reparations Act for every motor vehicle owned by such person, unless such motor vehicle:

1. Is included under an approved self-insurance plan as provided in subsection F of this section;

2. Is used as a driver training motor vehicle in an approved driver training course by a school district or an accredited nonpublic school under an agreement with a motor vehicle dealer, and such motor vehicle liability insurance coverage is provided by the school district or accredited nonpublic school;

3. Is included under a qualified plan of self-insurance approved by an agency of the state in which such motor vehicle is registered and the form prescribed in subsection B of Section 6 of this act has been filed; or

4. Is expressly exempted from the provisions of the Oklahoma Automobile Injury Reparations Act.

B. An owner of an uninsured motor vehicle shall not permit the operation thereof upon a highway or upon property open to use by the public, unless such motor vehicle is expressly exempted from the provisions of the Oklahoma Automobile Injury Reparations Act.

C. No person shall knowingly drive an uninsured motor vehicle upon a highway or upon property open to use by the public, unless such motor vehicle is expressly exempted from the provisions of the Oklahoma Automobile Injury Reparations Act.

D. 1. Any person operating a motor vehicle upon a highway or upon property open to use by the public shall display, upon demand, evidence of financial security to a law enforcement officer. The law enforcement officer may issue a citation to any person who fails to display evidence of financial security upon such demand; and

2. No citation shall be issued to any person for failure to provide proof of financial security when evidence of financial security meeting the standards of subsection E of this section is displayed upon demand of a law enforcement officer. Whenever the authenticity of such evidence is questionable, the law enforcement officer may initiate the preparation of the insurance verification form prescribed by the Commissioner of Public Safety by recording information from the evidence of financial security displayed. The officer shall immediately forward the form to the Department of Public Safety, and the Department shall proceed with verification in the manner prescribed in subsection F of this section. Upon return of a form indicating that insurance was not in force on the date indicated on the form, the Department shall immediately forward a copy of the form to the law enforcement officer initiating preparation of the form.

E. Unless the insurance company subsequently submits an insurance verification form indicating that insurance was not in force, no person charged with violating subsection B, C or D of this section shall be convicted if such person produces in court, within

ten (10) days of the date of arrest or of issuance of the citation, evidence of financial security for the motor vehicle operated, which was valid at the time of arrest or of issuance of the citation. For the purpose of this subsection, evidence of financial security shall be provided by a policy of motor vehicle liability insurance, an identification card or certificate of insurance issued to the policyholder by the insurer which provides the name of the insurer, the policy number and the effective and expiration dates of the policy, or a certificate of self-insurance signed by the Insurance Commissioner. Upon the production in court of evidence of financial security, the court shall record the information displayed thereon on the insurance verification form prescribed by the Commissioner of Public Safety, immediately forward such form to the Department of Public Safety, and stay any further proceedings on the matter pending a request from the prosecuting attorney that the matter be set for trial. Upon receipt of such form the Department of Public Safety shall mail the form to the named insurance company for verification that insurance was in force on the date indicated on the form. It shall be the duty of insurance companies to notify the Department within thirty (30) calendar days of the receipt of such forms of any insurance that was not in force on the date specified. Upon return of any form to the Department indicating that insurance was not in force on such date, the Department shall immediately forward a copy of such form to the office of the prosecuting attorney or the city clerk of the municipality in which such prosecution is pending when the prosecuting attorney is not ascertainable. Receipt of any completed form indicating that insurance was not in effect on the date specified shall be prima facie evidence of failure to provide proof of financial security and a violation of this section. A request that the matter be set for trial shall be made immediately following the receipt by the prosecuting attorney of a copy of the form from the Department of

Public Safety indicating that insurance was not in force. Any charge of violating subsection B, C or D of this section shall be dismissed if no request for a trial setting has been made within sixty (60) days of the date evidence of financial security was produced in court.

F. 1. Any person in whose name more than twenty-five motor vehicles are registered in this state may qualify as a self-insurer by obtaining a certificate of self-insurance from the Insurance Commissioner. The certificate of self-insurance issued by the Insurance Commissioner shall cover such owned vehicles and those vehicles, registered in this state, leased to such person if the lease agreement requires that motor vehicle liability insurance on the vehicles be provided by the lessee. Upon application of any such person, the Insurance Commissioner may issue a certificate of self-insurance, if the Commissioner is satisfied that such person possesses and will continue to possess with the ability to pay any liability imposed by law against such person arising out of the ownership, operation, maintenance or use of any motor vehicle described in this subsection. A self-insurer shall provide liability coverage subject to the provisions of paragraph 5 of Section 7 of this act, arising out of the ownership, operation, maintenance or use of a self-insured motor vehicle in those instances where the lessee or the rental driver, if not the lessee, does not have a motor vehicle liability insurance policy or insurance coverage pursuant to a motor vehicle liability insurance policy or certificate of insurance of such insurance policy for such leased or rented vehicle. Such liability coverage shall be provided to any person operating a self-insured motor vehicle with the expressed or implied consent of the self-insurer;

2. Upon notice and a hearing, the Insurance Commissioner may cancel a certificate of self-insurance upon reasonable grounds. Failure to provide liability coverage or personal injury protection

benefits required by Sections 7 and 9 of this act, pay any liability imposed by law arising out of the ownership, operation, maintenance or use of a motor vehicle registered in such self-insurer's name, or to otherwise comply with the requirements of this subsection shall constitute reasonable grounds for the cancellation of a certificate of self-insurance. Reasonable grounds shall not exist unless such objectionable activity occurs with such frequency as to indicate a general business practice;

3. Self-insureds shall investigate claims in a reasonably prompt manner, handle such claims in a reasonable manner based on available information and effectuate prompt, fair and equitable settlement of claims in which liability has become reasonably clear;

4. As used in this subsection, "liability imposed by law" means the stated limits of liability as provided in paragraph 5 of Section 7 of this act; and

5. Nothing in this subsection shall preclude a self-insurer from pursuing all rights of subrogation against another person or persons.

G. 1. Any person violating any provision of this section shall be guilty of a misdemeanor and shall be subject to a fine of not less than Three Hundred Dollars ($300.00) nor more than One Thousand Dollars ($1,000.00) or confinement in the county jail for a term of not more than six (6) months, or both such fine and confinement; and

2. Any person convicted of violating any provision of this section within three (3) years of any such prior conviction shall be guilty of a misdemeanor and shall be subject to a fine of not less than Eight Hundred Dollars ($800.00) nor more than Two Thousand Five Hundred Dollars ($2,500.00), or confinement in the county jail for a term of not more than six (6) months, or both such fine and confinement.

H. In addition to any other penalties provided by the Oklahoma Automobile Injury Reparations Act for failure to have or maintain

financial security in effect, the Commissioner of Public Safety, upon receipt of a report required by Section 10-108 of Title 47 of the Oklahoma Statutes or a denial of required insurance by an insurance company listed on the form prescribed by the Commissioner of Public Safety pursuant to subsection D of this section, shall, upon notice and hearing as provided by Section 18 of this act:

1. Suspend:

a. the license of each driver in any manner involved in the accident,

b. the license of the owner of each motor vehicle involved in such accident, unless the vehicle was stolen at the time of the accident, proof of which must be established by the owner of the motor vehicle. Theft by a member of the vehicle owner's immediate family under the age of eighteen (18) years shall not constitute a stolen vehicle for the purposes of this section,

c. if the driver is a nonresident, the privilege of operating a motor vehicle within this state, or

d. if such owner is a nonresident, the privilege of such owner to operate or permit the operation within this state of any motor vehicle owned by such owner; and

2. Revoke the registration of all vehicles owned by the owner of each motor vehicle involved in such accident.

I. The suspension or revocation requirements in subsection H of this section shall not apply:

1. To the driver or owner if the owner had in effect at the time of the accident an automobile liability policy as required by Section 7 of this act, with respect to the vehicle involved in the accident;

2. To the driver, if not the owner of the vehicle involved in the accident, if there was in effect at the time of the accident an

automobile liability policy with respect to such driver's driving of vehicles not owned by such driver;

3. To any self-insurer as defined in Section 3 of this act;

4. To the driver or owner of any vehicle involved in the accident which was exempt from the provisions of the Oklahoma Automobile Injury Reparations Act pursuant to Section 5 of this act; and

5. To the owner of a vehicle described in paragraph 2 of subsection A of this section.

J. 1. For the purposes of paragraphs 1 and 2 of subsection I of this section, the Commissioner of Public Safety may require verification by an owner's or driver's insurance company or agent thereof that there was in effect at the time of the accident an automobile liability policy as required by the Oklahoma Automobile Injury Reparations Act; and

2. Any suspension or revocation effected pursuant to this section shall remain in effect until satisfactory proof of financial security has been filed with the Commissioner of Public Safety as required by subsection D of Section 18 of this act, and such person has been released from liability or is a party to an action to determine liability pursuant to which the court temporarily stays such suspension pending final disposition of such action, has entered into an agreement for the payment of damages, or has been finally adjudicated not to be liable in respect to such accident and evidence of any such fact has been filed with the Commissioner of Public Safety and has paid the reinstatement fee. Such reinstatement fee shall be One Hundred Dollars ($100.00) except that if the registration of a motor vehicle of any owner is revoked within one (1) year following a prior revocation of the registration of a motor vehicle of such owner under the provisions of the Oklahoma Automobile Injury Reparations Act, such fee shall be Three Hundred Dollars ($300.00).

K. The provisions of this section shall not apply to motor carriers of property or passengers regulated by the Corporation Commission.

L. The provisions of subsection D of this section shall not apply to licensed new or used motor vehicle dealers or for vehicles being offered for sale by such dealers.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-705 of Title 47, unless there is created a duplication in numbering, reads as follows:

The following vehicles shall be exempt from the provisions of the Oklahoma Automobile Injury Reparations Act:

1. Any motor vehicle owned by the government of the United States, any state or any political subdivision of any state;

2. An implement of husbandry or special mobile equipment which is operated only incidentally on a highway or property open to use by the public;

3. A vehicle operated on a highway only for the purpose of crossing such highway from one property to another; and

4. A vehicle which is not used upon public highways or streets for which the owner has filed an affidavit or a form prescribed by the Oklahoma Tax Commission stating that the vehicle will not be used upon such roads and specifying the length of time the vehicle will not be driven on public highways or streets, the reason the vehicle will not be driven and any other information deemed necessary by the Tax Commission.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-706 of Title 47 unless there is created a duplication in numbering, reads as follows:

A. A motor vehicle owned by a nonresident shall not be operated in this state upon a highway or upon property open to use by the public, unless a motor vehicle liability insurance policy meeting the requirements of Section 7 of this act is in effect for such

vehicle, or such nonresident has qualified as a self-insurer pursuant to subsection F of Section 4 of this act, or has filed the form prescribed in subsection B of this section. Whenever the privilege of a nonresident operating a motor vehicle in this state is suspended for failure of the owner to maintain financial security, in effect, the Commissioner of Public Safety shall report such violation to the motor vehicle administrator in the state wherein the vehicle is registered. The Commissioner of Public Safety is hereby authorized to enter into such reciprocal agreements with the motor vehicle administrator or other appropriate official in other jurisdictions as may be necessary to effectuate the provisions of the Oklahoma Automobile Injury Reparations Act.

B. Every insurance company authorized to transact the business of motor vehicle liability insurance in this state shall file with the Insurance Commissioner declaring that its motor vehicle liability policies, wherever issued, shall be deemed to provide the insurance required by Section 7 of this act, when the vehicle is operated in this state. Any nonadmitted insurer may file such a form. A qualified self-insurer, approved by an agency of the state in which the vehicles are registered, may certify its compliance with Section 7 of this act, on a form prescribed by the Insurance Commissioner.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-707 of Title 47, unless there is created a duplication in numbering, reads as follows:

Every policy of motor vehicle liability insurance issued by an insurer to an owner residing in this state shall:

1. Designate, by explicit description or by appropriate reference, all vehicles with respect to which coverage is to be granted;

2. Insure the person named and any other person, as insured, using any such vehicle with the expressed or implied consent of such

named insured, against loss from the liability imposed by law for damages arising out of the ownership, maintenance or use of any such vehicle within the United States of America or the Dominion of Canada, subject to the limits stated in such policy;

3. State the name and address of the named insured, the coverage afforded by the policy, the premium charged and the policy period;

4. Contain an agreement or be endorsed that insurance is provided in accordance with the coverage required by the Oklahoma Automobile Injury Reparations Act;

5. Contain stated limits of liability, exclusive of interest and costs, with respect to each vehicle for which coverage is granted, not less than Twenty-five Thousand Dollars ($25,000.00) because of bodily injury to, or death of, one person in any one accident and, subject to the limit for one person, to a limit of not less than Fifty Thousand Dollars ($50,000.00) because of bodily injury to, or death of, two or more persons in any one accident, and to a limit of not less than Ten Thousand Dollars ($10,000.00) because of harm to or destruction of property of others in any one accident;

6. Include personal injury protection benefits to the named insured, relatives residing in the same household, persons operating the insured motor vehicle, passengers in such motor vehicle and other persons struck by such motor vehicle and suffering bodily injury while not an occupant of a motor vehicle, not exceeding the limits prescribed for each of such benefits, for loss sustained by any such person as a result of injury. The owner of a motorcycle or motor-driven cycle, who is the named insured, shall have the right to reject in writing insurance coverage including such benefits for injury to a person which occurs while the named insured is operating or is a passenger on such motorcycle or motor-driven cycle; and unless the named insured requests such coverage in writing, such

coverage need not be provided in or supplemental to a renewal policy when the named insured has rejected the coverage in connection with a policy previously issued by the same insurer. The fact that the insured has rejected such coverage shall not cause such motorcycle or motor-driven cycle to be an uninsured motor vehicle;

7. Notwithstanding any omitted or inconsistent language, any contract of insurance which an insurer represents as or which purports to be a motor vehicle liability insurance policy meeting the requirements of this act shall be construed to obligate the insurer to meet all the mandatory requirements and obligations of the Oklahoma Automobile Injury Reparations Act;

8. Notwithstanding any other provision contained in this section, any insurer may exclude coverage required by paragraphs 1 through 4 of this section while any insured vehicles are:

a. rented to others or used to carry persons for a charge, however, such exclusion shall not apply to the use of a private passenger car on a share-the-expense basis, and

b. being repaired, serviced or used by any person employed or engaged in any way in the automobile business. This does not apply to the named insured, spouse or relative residents, or the agents, employers, employees or partners of the named insured, spouse or resident relative; and

9. In addition to the provisions of paragraph 8 of this section and notwithstanding any other provision contained in paragraphs 1 through 4 of this section, any insurer may exclude coverage:

a. for any damages for which the United States government might be liable for the insured's use of the vehicle,

b. for any damages to property owned by, rented to, or in charge of or transported by an insured, however, this

exclusion shall not apply to coverage for a rented residence or rented private garage,

c. for any obligation of an insured, or the insured's insurer under any type of workers' compensation or disability or similar law,

d. for liability assumed by an insured under any contract or agreement,

e. if two or more vehicle liability policies apply to the same accident, the total limits of liability under all such policies shall not exceed that of the policy with the highest limit of liability,

f. for any damages arising from an intentional act,

g. for any damages to any person who would be covered for such damages under a nuclear energy liability policy,

h. for any obligation of the insured to indemnify another for damages resulting from bodily injury to the insured's employee by accident arising out of and in the course of such employee's employment,

i. for bodily injury to any fellow employee of the insured arising out of and in the course of such employee's employment,

j. for bodily injury or property damage resulting from the handling of property:

   (1) before it is moved from the place where it is accepted by the insured for movement into or onto the covered auto, or

   (2) after it is moved from the covered auto to the place where it is finally delivered by the insured,

k. for bodily injury or property damage resulting from the movement of property by a mechanical device, other

than a hand truck, not attached to the covered auto, and

l. for bodily injury or property damage caused by the dumping, discharge or escape of irritants, pollutants or contaminants; however, this exclusion does not apply if the discharge is sudden and accidental.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-708 of Title 47, unless there is created a duplication in numbering, reads as follows:

Any insurer may exclude benefits required by paragraph 6 of Section 7 of this act:

1. For injury sustained by the named insured and relatives residing in the same household while occupying another motor vehicle owned by the named insured and not insured under the policy;

2. For injury sustained by any person operating the insured motor vehicle without the expressed or implied consent of the insured; and

3. To any person suffering injury, if such person:

a. caused the injury intentionally,

b. was an intentional converter of a motor vehicle at the time the injury was sustained,

c. was injured as a result of conduct within the course of a business of repairing, servicing or otherwise maintaining motor vehicles, unless such conduct occurred off the business premises, or

d. was injured as a result of conduct in the course of loading and unloading a motor vehicle, unless the conduct occurred while occupying, entering into or alighting from such vehicle.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-709 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. A self-insurer or the insurer of the owner of a motor vehicle covered by a policy of motor vehicle liability insurance meeting the requirements of the Oklahoma Automobile Injury Reparations Act shall pay any personal injury protection benefits which are required to be provided by the Oklahoma Automobile Injury Reparations Act or in such owner's policy of motor vehicle liability insurance for any injury:

1. Sustained within the United States of America, its territories or possessions or Canada by the owner while:

a. occupying a motor vehicle not excluded by paragraph 1 of Section 8 of this act, and

b. not an occupant of a motor vehicle if the injury is caused by physical contact with a motor vehicle;

2. Sustained by a relative of the owner residing in the same household, under the circumstances described in paragraph 1 of this subsection, if the relative at the time of the accident is not the owner of a motor vehicle with respect to which a motor vehicle liability insurance policy is required by the Oklahoma Automobile Injury Reparations Act; or

3. Sustained in this state by any other person while occupying such motor vehicle or, if a resident of this state, while not an occupant of such motor vehicle if the injury is caused by physical contact with such motor vehicle, and the injured person is not the owner of a motor vehicle with respect to which a motor vehicle liability insurance policy is required under the Oklahoma Automobile Injury Reparations Act.

B. If two or more insurers or self-insurers are liable to pay personal injury protection benefits for the same injury to any one person, the maximum benefits payable from all applicable policies shall be the highest limit of any one policy providing such personal injury protection benefits. The primary personal injury protection coverage shall be provided by the policy covering:

1. The motor vehicle occupied by the injured person at the time of the accident; or

2. The motor vehicle causing such physical contact.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-710 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Except for benefits payable under any workers' compensation law, which shall be credited against the personal injury protection benefits provided by paragraph 6 of Section 7 of this act, personal injury protection benefits due from an insurer or self-insurer under the Oklahoma Automobile Injury Reparations Act shall be primary and shall be due and payable as loss accrues, upon receipt of reasonable proof of such loss and the amount of expenses and loss incurred which are covered by the policy issued in compliance with the Oklahoma Automobile Injury Reparations Act. An insurer or self-insurer may require written notice to be given as soon as practicable after an accident involving a motor vehicle with respect to which the insurer's policy of motor vehicle liability insurance affords the coverage required by the Oklahoma Automobile Injury Reparations Act. No claim for personal injury protection benefits may be made after two (2) years from the date of the injury.

B. Personal injury protection benefits payable under the Oklahoma Automobile Injury Reparations Act shall be overdue if not paid within thirty (30) days after the insurer or self-insurer is furnished written notice of the fact of a covered loss and of the amount of same, except that disability benefits payable under the Oklahoma Automobile Injury Reparations Act shall be paid not less than every two (2) weeks after such notice. If such written notice is not furnished as to the entire claim, any partial amounts supported by written notice is overdue if not paid within thirty (30) days after such written notice is furnished. Any part or all of the remainder of the claim that is subsequently supported by

written notice is overdue if not paid within thirty (30) days after such written notice is so furnished. Provided, that no such payment shall be deemed overdue where the insurer or self-insurer has reasonable proof to establish that the insurer or self-insurer is not responsible for the payment, notwithstanding that written notice has been furnished. For the purpose of calculating the extent to which any personal injury protection benefits are overdue, payment shall be treated as being made on the date a draft or other valid instrument which is equivalent to payment was placed in the United States mail in a properly addressed, postpaid envelope, or, if not so posted, on the date of delivery. All overdue payments shall bear simple interest at the rate of eighteen percent (18%) per annum.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-711 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. A physician, hospital, clinic or other person or institution lawfully rendering treatment to an injured person for an injury covered by personal injury protection benefits and a person or institution providing rehabilitative occupational training following the injury may charge a reasonable amount for the products, services and accommodations rendered. The charge shall not exceed the amount the person or institution customarily charges for like products, services and accommodations in cases not involving insurance, and allowances for medical benefits under this act do not include that portion of the charge for a room in any hospital, clinic, convalescent or nursing home, extended care facility or any similar facility in excess of the reasonable and customary charge for semiprivate accommodations unless intensive care is medically required.

B. An attorney is entitled to a reasonable fee for advising and representing a claimant in an action for personal injury protection benefits which are overdue. The attorney fees shall be a charge

against the insurer or self-insurer in addition to the benefits recovered, if the court finds that the insurer or self-insurer unreasonably refused to pay the claim or unreasonably delayed in making proper payment.

C. Within the discretion of the court, an insurer or self-insurer may be allowed an award of a reasonable sum as attorney fees, based upon actual time expended, and all reasonable costs of suit for its defense against a person making claim against such insurer or self-insurer where such claim was fraudulent, excessive or frivolous, and such attorney fees and all such reasonable costs of suit so awarded may be treated as an offset against any benefits due or to become due to such person.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-712 of Title 47, unless there is created a duplication in numbering, reads as follows:

Whenever an injured person claims entitlement to rehabilitation benefits, the insurer or self-insurer responsible for paying personal injury protection benefits to such injured person shall be responsible for rehabilitation procedures or treatment and rehabilitative occupational training or retraining for the injured person in accordance with the following standards:

1. A procedure or treatment, whether or not involving surgery, shall be recognized and medically accepted;

2. A course of occupational training or retraining shall be a recognized form of training and be reasonable and appropriate for the particular case;

3. A procedure, treatment or training shall contribute substantially to rehabilitation; and

4. The cost of a procedure, treatment or training shall be reasonable in relation to its probable rehabilitation effects.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-713 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. When the injury for which personal injury protection benefits are payable under the Oklahoma Automobile Injury Reparations Act is caused under circumstances creating a legal liability against a tortfeasor pursuant to Section 7 of this act or the law of the appropriate jurisdiction, the injured person, such person’s dependents or personal representatives shall have the right to pursue such person’s remedy by proper action in a court of competent jurisdiction against such tortfeasor.

B. In the event of recovery from such tortfeasor by the injured person, such person’s dependents or personal representatives by judgment, settlement or otherwise, the insurer or self-insurer shall be subrogated to the extent of duplicative personal injury protection benefits provided to date of such recovery and shall have a lien therefor against such recovery, and the insurer or self-insurer may intervene in any action to protect and enforce such lien. Whenever any judgment in any such action, settlement or recovery is recovered prior to the completion of personal injury protection benefits by the injured person, the person’s dependents, or the person's personal representatives, the amount of such judgment, settlement or recovery actually paid and recovered which is in excess of the amount of personal injury protection benefits paid to the date of recovery of such judgment, settlement or recovery otherwise shall be credited against future payments of the personal injury protection benefits.

C. In the event an injured person, such person’s dependents or personal representative fails to commence an action against such tortfeasor within eighteen (18) months after the date of the accident resulting in the injury, such failure shall operate as an assignment to the insurer or self-insurer of any cause of action in

tort which the injured person, the dependents of such person or personal representatives of such person may have against such tortfeasor for the purpose and to the extent of recovery of damages which are duplicative of personal injury protection benefits. Such insurer or self-insurer may enforce same in such person's own name or in the name of the injured person, representative or dependents of the injured person for their benefit as their interest may appear by proper action in any court of competent jurisdiction.

D. In the event of a recovery pursuant to Section 13 of Title 23 of the Oklahoma Statutes, the insurer or self-insurer's right of subrogation shall be reduced by the percentage of negligence attributable to the injured person.

E. Pursuant to this section, the court shall fix attorney fees which shall be paid proportionately by the insurer or self-insurer and the injured person, such person's dependents or personal representatives in the amounts determined by the court.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-714 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Whenever a request is made by a self-insurer or an insurer providing personal injury protection benefits under the Oklahoma Automobile Injury Reparations Act and against whom a claim has been made:

1. Every employer shall furnish forthwith, in a form approved by the Commissioner, a sworn statement of the earnings since the time of the injury, and for a reasonable period before the injury, of the employee upon whose injury the claim is based; and

2. Every physician, hospital, clinic or other medical institution providing, before or after injury upon which a claim for personal injury protection benefits is based, any products, services or accommodations in relation to that or any other injury, or in relation to a condition claimed to be connected with that or any

other injury, shall furnish forthwith a written report of the history, condition, treatment and dates and costs of such treatment of the injured person, and produce forthwith and permit the inspection and copying of the person's records or its records regarding such history, condition, treatment and dates and costs of treatment. The person requesting such records shall pay all reasonable costs connected therewith.

B. In the event of any dispute regarding an insurer’s or self-insurer’s right to discovery of facts about an injured person’s earnings or about the person's history, condition, treatment and dates and costs of such treatment, the insurer may petition the district court to enter an order permitting such discovery. The order may be made only on timely motion, for good cause shown and upon notice to all persons having an interest, and it shall specify the time, place, manner, conditions and scope of the discovery. In order to protect against annoyance, harassment, embarrassment or oppression, the court may enter an order refusing discovery, or specifying conditions of discovery, and may order payment of costs and expenses of the proceeding, including reasonable fees for the appearance of attorneys at the proceedings, as justice requires.

C. The injured person shall be furnished, upon demand, a copy of all information obtained by the insurer or self-insurer under the provisions of this section and shall pay a reasonable charge therefor, if so required.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-715 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Whenever the mental or physical condition of an injured person covered by personal injury protection benefits is material to any claim that has been or may be made for past or future personal injury protection benefits, such person, upon request of an insurer or self-insurer, shall submit to a mental or physical examination by

a physician or physicians. The cost of any such examination requested by an insurer shall be borne entirely by the insurer or self-insurer. Any such examination shall be conducted within the city or county of residence of the insured, but if there is no qualified physician to conduct the examination within such city or county, then such examination shall be conducted in an area of the closest proximity to the insured’s residence. Insurers are authorized to include reasonable provisions in motor vehicle liability insurance policies for mental and physical examination of those claiming personal injury protection benefits.

B. If requested by the person examined, the insurer or self-insurer causing the examination to be made shall deliver to such person a copy of every written report concerning the examination rendered by the examining physician, at least one of which shall set out the findings and conclusions in detail. After such request and delivery, the insurer or self-insurer causing the examination to be made shall be entitled, upon request, to receive from the person examined every written report available to the person, or the person's representative, concerning any examination, previously or thereafter made, of the same mental or physical condition. By requesting and obtaining a report of the examination so ordered, or by taking the deposition of the examiner, the person examined shall be deemed to have waived any privilege the person may have, with respect to the claim for personal injury protection benefits, regarding the testimony of every other person who has examined or may thereafter examine the person in respect to the same mental or physical condition.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-716 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. Insurers and self-insurers are hereby directed to organize and maintain an assigned claims plan to provide that any person who

suffers injury in this state may obtain personal injury protection benefits through such plan if:

1. Personal injury protection benefits are not available to the injured person, except that personal injury protection benefits shall not be deemed unavailable to any person suffering injury while such person was the operator of a motorcycle or motor-driven cycle, for which the owner thereof has rejected personal injury protection benefits pursuant to paragraph 6 of Section 7 of this act;

2. Motor vehicle liability insurance or self-insurance applicable to the injury cannot be identified; or

3. Personal injury protection benefits applicable to the injury are inadequate to provide the contracted-for benefits because of financial inability of an insurer or self-insurer to fulfill its obligation; however, benefits available through the assigned claims plan shall be excess over any benefits paid or payable through the Oklahoma Property and Casualty Insurance Guaranty Association. If the personal injury protection benefits are not paid by the Oklahoma Property and Casualty Insurance Guaranty Association within the limitation of time specified in the Oklahoma Automobile Injury Reparations Act, such benefits shall be paid by the assigned claims plan. Payments made by the assigned claims plan pursuant to this section shall constitute covered claims under the Oklahoma Property and Casualty Insurance Guaranty Association.

B. If a claim qualifies for assignment under this section, the assigned claims plan or any insurer or self-insurer to whom the claim is assigned shall be subrogated to all of the rights of the claimant against any insurer or self-insurer, its successor in interest or substitute, legally obligated to provide personal injury protection benefits to the claimant, for any of such benefits provided by the assignment.

C. A person shall not be entitled to personal injury protection benefits through the assigned claims plan with respect to injury

which such person has sustained if, at the time of such injury, such person was the owner of a motor vehicle for which a policy of motor vehicle liability insurance is required under the Oklahoma Automobile Injury Reparations Act and such person failed to have such policy in effect.

D. The assigned claims plan shall be governed by rules promulgated by the Insurance Commissioner. Any claim brought through said plan shall be assigned to an insurer or self-insurer, in accordance with the approved regulations of operation, and such insurer or self-insurer, after the assignment, shall have the same rights and obligations it would have if, prior to such assignment, it had issued a motor vehicle liability insurance policy providing personal injury protection benefits applicable to the loss or expenses incurred or was a self-insurer providing such benefits. Any party accepting benefits hereunder shall have such rights and obligations as such person would have if a motor vehicle liability insurance policy providing personal injury protection benefits were issued to such person.

E. No insurer shall write any motor vehicle liability insurance policy in this state unless the insurer participates in the assigned claims plan organized pursuant to this section, nor shall any person qualify as a self-insurer pursuant to subsection F of Section 4 of this act, unless such person agrees to participate in such assigned claims plan. Any insurer or self-insurer required to participate in the assigned claims plan who violates this subsection shall be assessed a civil penalty of not more than Five Thousand Dollars ($5,000.00) for each policy issued or self-insurance certificate obtained in violation thereof.

SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-717 of Title 47, unless there is created a duplication in numbering, reads as follows:

In any action for tort brought against the owner, operator or occupant of a motor vehicle or against any person legally responsible for the acts or omissions of such owner, operator or occupant, a plaintiff may recover damages in tort for pain, suffering, mental anguish, inconvenience and other nonpecuniary loss because of injury only in the event the injury requires medical treatment of a kind described in the Oklahoma Automobile Injury Reparations Act as medical benefits, having a reasonable value of Two Thousand Dollars ($2,000.00) or more, or the injury consists in whole or in part of permanent disfigurement, a fracture to a weightbearing bone, a compound, comminuted, displaced or compressed fracture, loss of a body member, permanent injury within reasonable medical probability, permanent loss of a bodily function or death. Any person who is entitled to receive free medical and surgical benefits shall be deemed in compliance with the requirements of this section upon a showing that the medical treatment received has an equivalent value of at least Two Thousand Dollars ($2,000.00). Any person receiving ordinary and necessary services, normally performed by a nurse, from a relative or a member of such person's household shall be entitled to include the reasonable value of such services in meeting the requirements of this section. For the purpose of this section, the charges actually made for medical treatment expenses shall not be conclusive as to their reasonable value. Evidence that the reasonable value thereof was an amount different from the amount actually charged shall be admissible in all actions to which this section applies.

SECTION 18. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-718 of Title 47, unless there is created a duplication in numbering, reads as follows:

A. No motor vehicle shall be registered or reregistered in this state unless the owner, at the time of registration, has in effect a policy of motor vehicle liability insurance covering such motor

vehicle, as provided in the Oklahoma Automobile Injury Reparations Act, or is a self-insurer thereof, or the motor vehicle is used as a driver training motor vehicle in an approved driver training course by a school district or an accredited nonpublic school under an agreement with a motor vehicle dealer, and such policy of motor vehicle liability insurance is provided by the school district or accredited nonpublic school. As used in this section, the term "financial security" means such policy or self-insurance. The Commissioner of Public Safety shall require, at the time the owner makes application for registration or registration renewal, that the owner certify and provide verification of financial security, that the owner has such financial security, and the owner of each motor vehicle registered in this state shall maintain financial security continuously throughout the period of registration. In addition, when an owner certifies that such financial security is a motor vehicle liability insurance policy meeting the requirements of the Oklahoma Automobile Injury Reparations Act, the Commissioner of Public Safety may require that the owner or owner's insurance company produce records to prove the fact that such insurance was in effect at the time the vehicle was registered and has been maintained continuously from that date. Failure to produce such records shall be prima facie evidence that no financial security exists with regard to the vehicle concerned. It shall be the duty of insurance companies, upon the request of the Commissioner of Public Safety, to notify the Commissioner of Public Safety within thirty (30) calendar days of the date of the receipt of such request by the Commissioner of Public Safety of any insurance that was not in effect on the date of registration and maintained continuously from that date.

B. Except for termination of insurance resulting from nonpayment of premium or upon the request for cancellation by the insured, or if otherwise provided by law, no motor vehicle liability

insurance policy, or any renewal thereof, shall be terminated by cancellation or failure to renew by the insurer until at least thirty (30) days after mailing a notice of termination, by certified or registered mail or United States post office certificate of mailing, to the named insured at the latest address filed with the insurer by or on behalf of the insured. Time of the effective date and hour of termination stated in the notice shall become the end of the policy period. Every such notice of termination sent to the insured for any cause whatsoever shall include on the face of the notice a statement that financial security for every motor vehicle covered by the policy is required to be maintained continuously throughout the registration period, that the operation of any such motor vehicle without maintaining continuous financial security therefor is a misdemeanor and shall be subject to a fine of not less than Three Hundred Dollars ($300.00) and not more than One Thousand Dollars ($1,000.00) and that the registration for any such motor vehicle for which continuous financial security is not provided is subject to suspension and the driver license of the owner thereof is subject to suspension.

C. The Commissioner of Public Safety shall verify a sufficient number of insurance certifications each calendar year as the Commissioner of Public Safety deems necessary to ensure compliance with the provisions of the Oklahoma Automobile Injury Reparations Act. The owner or owner's insurance company shall verify the accuracy of any owner's certification upon request, as provided in subsection A of this section.

D. 1. In addition to any other requirements of the Oklahoma Automobile Injury Reparations Act, the Commissioner of Public Safety shall require a person to acquire insurance and for such person's insurance company to maintain on file with the Department of Public Safety evidence of such insurance for a period of one (1) year when a person has been convicted three or more times in this or another

state of any of the violations enumerated in Section 6-205 of Title 47 of the Oklahoma Statutes.

2. The Commissioner of Public Safety shall also require any driver whose driving privileges have been suspended pursuant to this section to maintain such evidence of insurance as required in paragraph 1 of this subsection.

3. The company of the insured shall immediately mail notice to the Commissioner of Public Safety whenever any policy required by this subsection to be on file with the Department of Public Safety is terminated by the insured or the insurer for any reason. The receipt by the Commissioner of Public Safety of such termination shall be prima facie evidence that no financial security exists with regard to the person concerned.

4. No cancellation notice shall be sent to the Commissioner of Public Safety if the insured adds or deletes a vehicle, adds or deletes a driver, renews a policy or is issued a new policy by the same company. No cancellation notice shall be sent to the Commissioner of Public Safety prior to the date the policy is terminated if the company allows a grace period for payment until such grace period has expired and the policy is actually terminated.

5. For the purposes of the Oklahoma Automobile Injury Reparations Act, the term "conviction" includes pleading guilty or nolo contendere, being convicted or being found guilty of any violation enumerated in this subsection without regard to whether sentence was suspended or probation granted. A forfeiture of bail, bond or collateral deposited to secure a defendant's appearance in court, which forfeiture has not been vacated, shall be equivalent to a conviction.

6. The requirements of this subsection shall apply whether or not such person owns a motor vehicle.

E. Whenever the Commissioner of Public Safety shall receive prima facie evidence, as prescribed by this section, that continuous

financial security covering any motor vehicle registered in this state is not in effect, the Commissioner of Public Safety shall notify the owner by registered or certified mail or United States post office certificate of mailing that, at the end of thirty (30) days after the notice is mailed, the registration for such motor vehicle and the driving privileges of the owner of the vehicle shall be suspended or revoked, pursuant to rules promulgated by the Commissioner of Public Safety, unless within ten (10) days after the notice is mailed the owner demonstrates proof of continuous financial security covering such vehicle to the satisfaction of the Commissioner of Public Safety, or the owner mails a written request, which is postmarked within ten (10) days after the notice is mailed, requesting a hearing. Upon receipt of a timely request, the Commissioner of Public Safety shall afford the person an opportunity for a hearing within thirty (30) days after receipt of the request. If, within the ten-day period or at the hearing such owner is unable to demonstrate proof of continuous financial security covering the motor vehicle in question, the Commissioner of Public Safety shall revoke the registration of such motor vehicle and suspend the driving privileges of the owner of the vehicle. Any person whose registration and license have been suspended or revoked pursuant to this subsection may appeal the decision pursuant to Section 6-211 of Title 47 of the Oklahoma Statutes.

F. Whenever the registration of a motor vehicle or the driving privileges of the owner of the vehicle are suspended or revoked for failure of the owner to maintain continuous financial security, the suspension or revocation shall remain in effect until satisfactory proof of insurance has been filed with the Commissioner of Public Safety as required by subsection D of this section and a reinstatement fee is paid to the Department of Public Safety. The reinstatement fee shall be in the amount of One Hundred Dollars ($100.00), except that if the registration of a motor vehicle of any

owner is revoked within one (1) year following a prior revocation of the registration of a motor vehicle of such owner under the provisions of the Oklahoma Automobile Injury Reparations Act, the fee shall be in the amount of Three Hundred Dollars ($300.00). The Department of Public Safety shall, at least monthly, deposit the fees with the State Treasurer, who shall credit such monies to the General Revenue Fund of the State Treasury.

G. In no case shall any motor vehicle, the registration of which has been revoked for failure to have continuous financial security, be reregistered in the name of the owner thereof, the owner's spouse, parent or child or any member of the same household, until the owner complies with subsection F of this section. In the event the registration plate has expired, no new plate shall be issued until the motor vehicle owner complies with the reinstatement requirements as required by the Oklahoma Automobile Injury Reparations Act.

H. Evidence that an owner of a motor vehicle, registered or required to be registered in this state, has operated or permitted such motor vehicle to be operated in this state without having in force and effect the financial security required by the Oklahoma Automobile Injury Reparations Act for such vehicle, together with proof of records of the Department of Public Safety indicating that the owner did not have such financial security, shall be prima facie evidence that the owner did at the time and place alleged, operate or permit such motor vehicle to be operated without having in full force and effect financial security required by the provisions of the Oklahoma Automobile Injury Reparations Act.

I. Any owner of a motor vehicle registered or required to be registered in this state who shall make a false certification concerning financial security for the operation of such motor vehicle as required by the Oklahoma Automobile Injury Reparations Act shall be guilty of a misdemeanor. Any person, firm or

corporation giving false information to the Commissioner of Public Safety concerning another's financial security for the operation of a motor vehicle registered or required to be registered in this state, knowing or having reason to believe that such information is false, shall be guilty of a misdemeanor.

J. Whenever any person has made application for insurance coverage and such applicant has submitted payment or partial payment with such application, the insurance company, if payment accompanied the application and if insurance coverage is denied, shall refund the unearned portion of the payment to the applicant or agent with the notice of denial of coverage. If payment did not accompany the application to the insurance company but was made to the agent, the agent shall refund the unearned portion of the payment to the applicant upon receipt of the company's notice of denial.

K. For the purpose of the Oklahoma Automobile Injury Reparations Act, "declination of insurance coverage" means a final denial, in whole or in part, by an insurance company or agent of requested insurance coverage.

L. The Commissioner of Public Safety shall administer and enforce the provisions of the Oklahoma Automobile Injury Reparations Act and shall promulgate such rules as may be necessary for its administration.

SECTION 19. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-719 of Title 47, unless there is created a duplication in numbering, reads as follows:

The Insurance Commissioner is hereby authorized to promulgate such rules as may be necessary to carry out the provisions of the Oklahoma Automobile Injury Reparations Act.

SECTION 20. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 7-720 of Title 47, unless there is created a duplication in numbering, reads as follows:

Nothing in the Oklahoma Automobile Injury Reparations Act shall be construed as prohibiting or discouraging reasonable competition or the availability of motor vehicle liability insurance policies containing coverage exceeding that required to comply with Section 18 of this act.

SECTION 21. REPEALER 47 O.S. 1991, Sections 7-600, 7-601, 7-601.1, 7-601.2, 7-602, 7-602.1, 7-603, 7-605, 7-606, 7-607, 7-608, and 7-609, are hereby repealed.

SECTION 22. This act shall become effective January 1, 2003.

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