

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

HOUSE BILL 1281

By: Liebmann

AS INTRODUCED

An Act relating to insurance; requiring that certain homeowner's policy provide information about certain limits of coverage related to backup of sanitary sewer; requiring certain homeowner's policy provide information about purchase of certain coverage related to backup of sanitary sewer; providing certain form to be used by insured; requiring form to be filed with Insurance Commissioner; allowing certain derivations from form; 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 3639.4 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. No insurer shall issue, deliver, extend or renew a homeowner's policy in this state unless the policy includes information advising a proposed insured that the homeowner's policy does not provide coverage for the damage or loss caused by the backup of a sanitary sewer.

B. The policy referred to in subsection A of this section shall provide information about the optional purchase of supplemental coverage for damage or loss caused by the backup of a sanitary sewer.

C. The information related to the optional purchase of supplemental coverage for the damage or loss caused by the backup of a sanitary sewer required by subsection B of this section shall be in the following form which shall be filed with and approved by the Insurance Commissioner. The form shall be provided to the proposed

insured in writing separately from the application and shall read substantially as follows:

OKLAHOMA SANITARY SEWER BACKUP COVERAGE LAW

Oklahoma law gives you the right to know that your homeowner's policy does not provide coverage for the damage or loss caused by the backup of a sanitary sewer. THE LAW REQUIRES US TO ADVISE YOU THAT YOU CAN PURCHASE SUPPLEMENTAL COVERAGE TO PROTECT AGAINST THE DAMAGE OR LOSS CAUSED BY THE BACKUP OF A SANITARY SEWER. YOU SHOULD CONSIDER BUYING THIS COVERAGE AS ADDITIONAL PROTECTION FOR YOUR HOME.

You may make one of two choices about insurance coverage for the damage or loss caused by the backup of a sanitary sewer:

1. You may buy supplemental coverage for the damage or loss caused by the backup of a sanitary sewer for \$ \_\_\_\_\_ for \_\_\_\_\_ months.

2. You may reject the option to purchase supplemental coverage for the damage or loss caused by the backup of a sanitary sewer.

\_\_\_\_ I want to reject the purchase of supplemental coverage for the damage or loss caused by the backup of a sanitary sewer.

\_\_\_\_\_

Proposed Insured

THIS FORM IS NOT A PART OF YOUR POLICY AND DOES NOT PROVIDE COVERAGE.

D. The Insurance Commissioner shall approve a deviation from the form described in subsection C of this section if the form includes substantially the same information.

SECTION 2. This act shall become effective November 1, 2005.

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