

STATE OF OKLAHOMA

1st Session of the 50th Legislature (2005)

SENATE BILL 402

By: Easley

AS INTRODUCED

An Act relating to insurance; amending 36 O.S. 2001, Section 3639.1, which relates to the cancellation, nonrenewal or increase in premium for homeowner's policies; modifying number of claims for cancellation, nonrenewal or increase in premiums for certain policies; prohibiting certain actions by an insurer for the filing of certain claims; and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 2001, Section 3639.1, is amended to read as follows:

Section 3639.1 No insurer shall cancel, refuse to renew or increase the premium of a homeowner's insurance policy, which has been in effect more than forty-five (45) days, solely because the insured filed a ~~first~~ second claim against the policy; provided further, no insurer shall cancel, refuse to renew or increase the premium of a homeowner's insurance policy, which has been in effect more than forty-five (45) days, solely because the insured has filed a third or subsequent claim against the policy, and it has been at least five (5) years since the last claim against the policy has been filed. The provisions of this section shall not be construed to prevent the cancellation, nonrenewal or increase in premium of a homeowner's insurance policy for the following reasons:

1. Nonpayment of premium;
2. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;

3. Discovery of willful or reckless acts or omissions on the part of the named insured which increase any hazard insured against;

4. A change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed;

5. Violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;

6. A determination by the Commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of this state; or

7. Conviction of the named insured of a crime having as one of its necessary elements an act increasing any hazard insured against.

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

50-1-20

LKS

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