

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 COMMITTEE SUBSTITUTE  
4 FOR

5 HOUSE BILL NO. 1960

6 By: Peterson (Ron)

7 COMMITTEE SUBSTITUTE

8 An Act relating to insurance; amending Section 1,  
9 Chapter 68, O.S.L. 2002, as amended by Section 1,  
10 Chapter 235, O.S.L. 2003 (36 O.S. Supp. 2006, Section  
11 4809), which relates to fire insurance; eliminating  
12 penalty; and providing an effective date.

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

14 SECTION 1. AMENDATORY Section 1, Chapter 68, O.S.L.  
15 2002, as amended by Section 1, Chapter 235, O.S.L. 2003 (36 O.S.  
16 Supp. 2006, Section 4809), is amended to read as follows:

17 Section 4809. A. No property or casualty insurance company  
18 shall give any special or reduced rate for fire insurance on any  
19 risk because it is located in a rural fire protection district or in  
20 an area protected by a rural fire department in which the district  
21 or department is wholly or partially funded by dues or subscription  
22 payments paid by owners of property who are members of an  
23 association supporting the rural fire department to any person who  
24 fails or refuses to pay the appropriate dues or subscription

1 payments for support of the district or department pursuant to the  
2 procedure outlined in subsection C of this section.

3 B. Property owners owning property in more than one fire  
4 district or fire department area relying on dues or subscriptions  
5 for partial or complete funding shall pay dues to a fire district or  
6 fire department in whose district or area they own property if they  
7 wish to receive special or reduced rates for property and casualty  
8 insurance.

9 C. It is unlawful for any insurance agent or company to  
10 knowingly write an initial policy of fire insurance coverage or to  
11 rewrite such a policy on any risk located in a rural fire protection  
12 district or in any area protected by a rural fire department at any  
13 special or reduced rate or with any rate credit based on location of  
14 the risk in the district or area without having first obtained from  
15 the insured or from the rural fire protection district or rural fire  
16 department evidence that current dues or subscription payments, if  
17 any, for the property to be insured have been paid. The evidence  
18 required by the insurer may be a receipt, canceled check, or other  
19 valid proof of payment.

20 ~~D. If any agent is found by the Insurance Commissioner to have~~  
21 ~~violated the provisions of this subsection, the agent shall be~~  
22 ~~liable for an administrative penalty of Twenty five Dollars (\$25.00)~~  
23 ~~for the first violation and Fifty Dollars (\$50.00) for any~~  
24 ~~subsequent violation.~~

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SECTION 2. This act shall become effective November 1, 2007.

51-1-6995           CJB           02/06/07