

1 THE STATE SENATE  
2 Monday, April 07, 2008

3 Committee Substitute for  
4 ENGROSSED

5 House Bill No. 3115

6 COMMITTEE SUBSTITUTE FOR ENGROSSED HOUSE BILL NO. 3115 - By:  
7 Blackwell of the House and Laughlin of the Senate.

8 [ insurance - exclusions from the Oklahoma Insurance Code -  
9 emergency ]

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

11 SECTION 1. AMENDATORY 36 O.S. 2001, Section 110, is  
12 amended to read as follows:

13 Section 110. No provision of the Oklahoma Insurance Code,  
14 Section 101 et seq. of this title, shall apply to:

15 1. Nonprofit hospital service and medical indemnity  
16 corporations, except as stated in Sections 601 et seq. and 2601 et  
17 seq. of this title;

18 2. Fraternal benefit societies, except as stated in Section  
19 2701.1 et seq. of this title;

20 3. Farmers' mutual fire insurance associations, except as  
21 stated in Section 2801 et seq. of this title;

22 4. Mutual benefit associations, except as stated in Section  
23 2401 et seq. of this title;

24 5. Domestic burial associations;

1           6. Any domestic association organized subject to the  
2 supervision or by the authority of any incorporated Grange Order of  
3 Patrons of Husbandry, when the association is formed exclusively for  
4 the mutual benefit of the members of such order. Effective January  
5 1, 1982, The Oklahoma State Union of the Farmers' Educational and  
6 Cooperative Union of America shall comply with all provisions of the  
7 Oklahoma Insurance Code;

8           7. Trust companies organized pursuant to the provisions of  
9 Title 6 of the Oklahoma Statutes except that the title insurance and  
10 surety insurance business of such trust companies shall be subject  
11 to the Oklahoma Insurance Code;

12           8. Soliciting agents of mutual insurance corporations or  
13 associations, operating only in this state, that issue no stock or  
14 other form of security, do not operate for profit, and have none of  
15 their funds inure to the benefit of individuals except in the form  
16 of less expensive insurance and necessary expenses of operation, if  
17 provisions are made in the bylaws of the insurer for the election of  
18 any soliciting agents by a majority of the policyholders in the area  
19 where the soliciting agent solicits insurance;

20           9. The Mutual Aid Association of the Church of the Brethren or  
21 the Mutual Aid Association of the Mennonite and Brethren in Christ;

22           10. Incorporated or unincorporated banking associations having  
23 been in existence for over fifteen (15) years and consisting of more

1 than seventy-five (75) member banks within this state for issuance  
2 of blanket fidelity bonds for banks within this state for each  
3 bank's own use, or any nonprofit trust sponsored by such  
4 associations' member banks providing employee benefits such as life,  
5 health, accident, disability, pension and retirement benefits for  
6 banks, bank holding companies and subsidiaries thereof, the  
7 associations' employees and associate members;

8 11. A religious ~~publication, or subscribers of the publication,~~  
9 ~~when the publication~~ organization, or members of the organization,  
10 if the organization:

- 11 a. is a nonprofit religious organization,
- 12 b. is limited to ~~subscribers~~ participants who are members  
13 of the same ~~denomination or~~ religion,
- 14 c. acts as an organizational clearinghouse for  
15 information between ~~subscribers~~ participants who have  
16 financial, physical or medical needs and ~~subscribers~~  
17 participants with the present ability to pay  
18 ~~subscribers~~ for the benefit of those participants with  
19 present financial or medical needs. Nothing in this  
20 subparagraph shall prevent the organization from  
21 establishing qualifications of participation relating  
22 to the health of the prospective participant, nor  
23 shall it prevent the participants from limiting the

1                    financial or medical needs that may be eligible for  
2                    payment among the participants,  
3                    d.    provides for the financial or medical needs of a  
4                    ~~subscriber~~ participant through payments directly from  
5                    one ~~subscriber~~ participant to another, and  
6                    e.    suggests amounts that ~~subscribers~~ participants may  
7                    voluntarily give with no assumption of risk or promise  
8                    to pay either among the ~~subscribers~~ participants or  
9                    between the ~~subscribers~~ participants and the  
10                   ~~publication~~ organization. Nothing in this  
11                   subparagraph shall prevent the organization from  
12                   cancelling the membership of a participant if the  
13                   participant indicates unwillingness to participate by  
14                   failing to make a payment to another participant for a  
15                   period in excess of sixty (60) days; or

- 16                   12. Charitable organizations that:
- 17                   a.    are described in Section 501(c)(3) of the Internal  
18                   Revenue Code and Section 170(c) of the Internal  
19                   Revenue Code,  
20                   b.    issue qualified charitable gift annuity contracts,  
21                   c.    have a minimum of One Hundred Thousand Dollars  
22                   (\$100,000.00) in unrestricted assets that are

1 exclusive of the assets comprising its qualified  
2 charitable gift annuities, and  
3 d. have been in continuous operation for at least three  
4 (3) years or are successors or affiliates of a  
5 charitable organization that has been in continuous  
6 operation for at least three (3) years,  
7 except as stated in the Oklahoma Charitable Gift Annuity Act.

8 SECTION 2. It being immediately necessary for the preservation  
9 of the public peace, health and safety, an emergency is hereby  
10 declared to exist, by reason whereof this act shall take effect and  
11 be in full force from and after its passage and approval.

12 COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT & INSURANCE, dated  
13 4-3-08 - DO PASS, As Amended.