

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 940

By: Sparks

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6 AS INTRODUCED

7 An Act relating to insurance; requiring the payment
8 of certain liability insurance premium through
9 certain payments; requiring the lender to remit the
10 premium to the insurance company; prohibiting a
11 lender from acting as an insurer issuing certain
12 policies; defining term; providing for codification;
and providing an effective date.

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

14 SECTION 1. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 7-613 of Title 47, unless there
16 is created a duplication in numbering, reads as follows:

17 A. Every owner of a motor vehicle registered in this state that
18 finances all or a portion of the purchase of such vehicle shall be
19 required to pay the premium of the compulsory liability insurance
20 required by Section 7-600 et seq. of Title 47 of the Oklahoma
21 Statutes through the owner's payments to the lender of such
22 financing.

23 B. The lender of the financing shall be required to remit the
24 appropriate premium payment to the insurance company which issued

1 the compulsory liability insurance policy. The lender shall make
2 the payments to the insurance company at the times designated by the
3 policy.

4 C. No lender who loans funds to a borrower for purposes of
5 purchasing a motor vehicle may act as the insurer issuing a
6 compulsory liability insurance policy to such borrower for such
7 transaction.

8 D. As used in this section, "lender" means the entity that
9 loans funds to the borrower including a bank, credit union or other
10 financial institution.

11 SECTION 2. This act shall become effective November 1, 2009.

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