

1 ENGROSSED SENATE
2 BILL NO. 2055

By: Schulz and Fields of the
Senate

3 and

4 Ortega of the House

5
6
7 [insurance - proof of payment for rural fire
8 protection - effective date]
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10 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

11 SECTION 1. AMENDATORY 36 O.S. 2011, Section 4809, is
12 amended to read as follows:

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

23 B. Property owners owning property in more than one fire
24 district or fire department area relying on dues or subscriptions

1 for partial or complete funding shall pay dues to a fire district or
2 fire department in whose district or area they own property if they
3 wish to receive special or reduced rates for property and casualty
4 insurance.

5 C. It is unlawful for any insurance agent or company to
6 knowingly write an initial policy of fire insurance coverage or to
7 rewrite such a policy on any risk located in a rural fire protection
8 district or in any area protected by a rural fire department at any
9 special or reduced rate or with any rate credit based on location of
10 the risk in the district or area without having first obtained from
11 the insured or from the rural fire protection district or rural fire
12 department evidence that current dues or subscription payments, if
13 any, for the property to be insured have been paid. The evidence
14 required by the insurer may be a receipt, canceled check, or other
15 valid proof of payment. An insurer or insured may request a rural
16 fire protection district or rural fire department to provide
17 evidence that an insured has paid all current dues or subscription
18 payments. Upon receipt of such request the rural fire protection
19 district or rural fire department shall have fifteen (15) days to
20 deliver such evidence to the requesting party. Upon request of an
21 insurer or an insured, the rural fire protection district or rural
22 fire department shall provide such evidence within fifteen (15) days
23 either written or electronically.
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1 D. If any agent is found by the Insurance Commissioner to have
2 violated the provisions of this subsection, the agent shall be
3 liable for an administrative penalty of Twenty-five Dollars (\$25.00)
4 for the first violation and Fifty Dollars (\$50.00) for any
5 subsequent violation.

6 SECTION 2. This act shall become effective November 1, 2014.

7 Passed the Senate the 10th day of March, 2014.

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Presiding Officer of the Senate

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11 Passed the House of Representatives the ____ day of _____,

12 2014.

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Presiding Officer of the House
of Representatives

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