

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 SENATE BILL 495

By: Sparks

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5  
6 AS INTRODUCED

7 An Act relating to fire insurance; amending 36 O.S.  
8 2011, Section 4809, which relates to reduced rates  
9 for failure to pay assessments; removing prohibition  
10 on rewriting insurance policies in certain  
situations; requiring insurers to obtain evidence of  
certain payments annually; and providing an effective  
date.

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

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

16 Section 4809. A. No property or casualty insurance company  
17 shall give any special or reduced rate for fire insurance on any  
18 risk because it is located in a rural fire protection district or in  
19 an area protected by a rural fire department in which the district  
20 or department is wholly or partially funded by dues or subscription  
21 payments paid by owners of property who are members of an  
22 association supporting the rural fire department to any person who  
23 fails or refuses to pay the appropriate dues or subscription  
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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. Following the  
18 writing of the initial policy, the insurance agent or company shall  
19 obtain evidence of successful payment of current dues or  
20 subscription payments annually. The evidence required by the  
21 insurer may be a receipt, canceled check, or other valid proof of  
22 payment.

23 D. If any agent is found by the Insurance Commissioner to have  
24 violated the provisions of this subsection, the agent shall be

1 liable for an administrative penalty of Twenty-five Dollars (\$25.00)  
2 for the first violation and Fifty Dollars (\$50.00) for any  
3 subsequent violation.

4 SECTION 2. This act shall become effective November 1, 2017.

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6 56-1-811 CB 1/19/2017 2:59:11 PM  
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