

COMMITTEE AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB1085 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Mark Tedford

Reading Clerk

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 PROPOSED OVERSIGHT
4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1085

By: Tedford

7
8 PROPOSED OVERSIGHT COMMITTEE SUBSTITUTE

9 An Act relating to contracts; amending 15 O.S. 2021,
10 Section 141.14, as amended by Section 8, Chapter 225,
11 O.S.L. 2024 (15 O.S. Supp. 2024, Section 141.14),
12 which relates to the Service Warranty Act; modifying
13 administrative fee amount; and providing an effective
14 date.

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

16 SECTION 1. AMENDATORY 15 O.S. 2021, Section 141.14, as
17 amended by Section 8, Chapter 225, O.S.L. 2024 (15 O.S. Supp. 2024,
18 Section 141.14), is amended to read as follows:

19 Section 141.14. A. In addition to the license fees provided in
20 the Service Warranty Act for service warranty associations each
21 service warranty association and insurer shall annually, on or
22 before the first day of May, file with the Insurance Commissioner
23 its annual financial statement as of a date not earlier than three
24 hundred sixty-five (365) days prior to the date submitted showing

1 all gross written provider fees or assessments received by it in
2 connection with the issuance of service warranties in this state
3 during the preceding calendar year and other relevant financial
4 information as deemed necessary by the Commissioner. The financial
5 statements required by this subsection must be:

6 1. Audited and prepared in accordance with statutory accounting
7 principles if the applicant complies with the requirements of
8 subsection A of Section 141.6 of this title; or

9 2. Verified under oath of at least two of its principal
10 officers and prepared in accordance with generally accepted
11 accounting principles if the applicant utilizes an insurance policy
12 which satisfies the requirements of subsection B of Section 141.6 of
13 this title.

14 B. The Commissioner may levy a fine of up to One Hundred
15 Dollars (\$100.00) a day for each day an association neglects to file
16 its financial statement in the form and within the time provided by
17 the Service Warranty Act.

18 C. In addition to the annual financial statements required to
19 be filed by subsection A of this section, the Commissioner may
20 require of licensees, under oath and in the form prescribed by the
21 Commissioner, quarterly statements or special reports which the
22 Commissioner deems necessary for the proper supervision of licensees
23 under the Service Warranty Act.

24

1 D. Provider fees and assessments received by associations and
2 insurers for service warranties shall not be subject to the premium
3 tax provided in Section 624 of Title 36 of the Oklahoma Statutes,
4 but shall be subject to an administrative fee of equal to two
5 percent (2%) of the gross provider fee received on the sale of all
6 service warranties issued in this state during the preceding
7 calendar quarter. The fees shall be paid quarterly to the Insurance
8 Commissioner. However, licensed associations, licensed insurers and
9 entities with applications for licensure as a service warranty
10 association pending with the Insurance Department that have
11 contractual liability insurance in place as of March 31, 2009, from
12 an insurer which satisfies the requirements of subsections B and C
13 of Section 141.6 of this title and which covers one hundred percent
14 (100%) of the claims exposure of the association or insurer on all
15 contracts written may elect to pay an annual administrative fee of
16 Three Thousand Dollars (\$3,000.00) in lieu of the two-percent
17 administrative fee.

18 E. On and after January 1, 2026, the fee assessed pursuant to
19 subsection D of this section shall be equal to one point seven five
20 percent (1.75%) of the gross provider fee received on the sale of
21 all service warranties issued in this state during the preceding
22 calendar quarter, to be paid quarterly or Three Thousand One Hundred
23 Fifty Dollars (\$3,150.00) for insurers and entities eligible for and
24 electing to pay an annual administrative fee in lieu of the percent-

1 based fee. On and after January 1, 2027, the fee assessed pursuant
2 to subsection D of this section shall be equal to one percent
3 (1.00%) of the gross provider fee received on the sale of all
4 service warranties issued in this state during the preceding
5 calendar quarter, to be paid quarterly or Three Thousand Three
6 Hundred Fifty Dollars (\$3,350.00) for insurers and entities eligible
7 for and electing to pay an annual administrative fee in lieu of the
8 percent based fee. On and after January 1, 2028, the fee assessed
9 pursuant to subsection D shall be equal to Three Thousand Seven
10 Hundred Dollars (\$3,700.00) for all service warranty associations
11 and insurers.

12 SECTION 2. This act shall become effective January 1, 2026.

13

14 60-1-13105 MJ 03/04/25

15

16

17

18

19

20

21

22

23

24