

An Act

ENROLLED HOUSE
BILL NO. 1085

By: Adams and Tedford of the
House

and

Coleman of the Senate

An Act relating to contracts; amending 15 O.S. 2021, Section 141.14, as amended by Section 8, Chapter 225, O.S.L. 2024 (15 O.S. Supp. 2025, Section 141.14), which relates to the Service Warranty Act; modifying administrative fee amount; and providing an effective date.

SUBJECT: Contracts

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

SECTION 1. AMENDATORY 15 O.S. 2021, Section 141.14, as amended by Section 8, Chapter 225, O.S.L. 2024 (15 O.S. Supp. 2025, Section 141.14), is amended to read as follows:

Section 141.14. A. In addition to the license fees provided in the Service Warranty Act for service warranty associations each service warranty association and insurer shall annually, on or before the first day of May, file with the Insurance Commissioner its annual financial statement as of a date not earlier than three hundred sixty-five (365) days prior to the date submitted showing all gross written provider fees or assessments received by it in connection with the issuance of service warranties in this state during the preceding calendar year and other relevant financial information as deemed necessary by the Commissioner. The financial statements required by this subsection must be:

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

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

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

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

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

E. On and after January 1, 2027, the fee assessed pursuant to subsection D of this section shall be equal to one and seventy-five hundredths percent (1.75%) of the gross provider fee received on the sale of all service warranties issued in this state during the preceding calendar quarter, to be paid quarterly, or Three Thousand One Hundred Fifty Dollars (\$3,150.00) for insurers and entities eligible for and electing to pay an annual administrative fee in lieu of the percent-based fee. On and after January 1, 2028, the

fee assessed pursuant to subsection D of this section shall be equal to one percent (1.00%) of the gross provider fee received on the sale of all service warranties issued in this state during the preceding calendar quarter, to be paid quarterly, or Three Thousand Three Hundred Fifty Dollars (\$3,350.00) for insurers and entities eligible for and electing to pay an annual administrative fee in lieu of the percent-based fee. On and after January 1, 2029, the fee assessed pursuant to subsection D of this section shall be equal to Three Thousand Seven Hundred Dollars (\$3,700.00) for all service warranty associations and insurers. The administrative fee set forth in this section shall not be subject to subsection C of Section 307.3 of Title 36 of the Oklahoma Statutes.

SECTION 2. This act shall become effective January 1, 2027.

Passed the House of Representatives the 23rd day of February, 2026.

Presiding Officer of the House
of Representatives

Passed the Senate the 11th day of February, 2026.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

