HOUSE OF REPRESENTATIVES - FLOOR VERSION

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 2933 By: Tedford of the House

and

Reinhardt of the Senate

COMMITTEE SUBSTITUTE

An Act relating to insurance; directing that personal and commercial property insurers shall file certain report by specified date; providing manner in which report shall be filed; providing required content of report; clarifying that reports shall be treated as working papers and documents; permitting Insurance Commissioner to use reports to determine whether market conduct examination or investigation should be conducted; establishing penalty for violation; amending Section 7, Chapter 345, O.S.L. 2024 (36 O.S. Supp. 2025, Section 322), which relates to penalties enforced by the Insurance Department; modifying penalties the Insurance Commissioner may enforce; amending Section 19, Chapter 345, O.S.L. 2024, as amended by Section 2, Chapter 195, O.S.L. 2024 (36 O.S. Supp. 2025, Section 908), which relates to administrative penalties enforced by the Insurance Department; modifying administrative penalties the Insurance Commissioner may enforce; amending 36 O.S. 2021, Section 942, which relates to motor vehicle liability or collision policies; clarifying traffic records not to be used by insurers in modifying rates or determining refusal or renewal of a policy; amending 36 O.S. 2021, Section 943, which relates to circumstances insurers are prohibited from canceling, increasing rates, or refusing to issue or renew motor vehicle policies; prohibiting insurers from

canceling, refusing to renew or terminate, or increasing policy premiums based on first claim against policy; clarifying circumstances under which policies may be canceled, not renewed or terminated, or premiums increased; amending 36 O.S. 2021, Section 961, which relates to premium discounts or rate reductions for resistance to tornado or other wind events; modifying circumstances under which insurance companies shall provide a premium discount or rate reduction; modifying citations; amending 36 O.S. 2021, Section 962, which relates to premium discount or rate reduction for resistance to tornado or other wind events for retrofit properties; modifying circumstances under which insurance companies shall provide a premium discount or rate reduction; modifying citations; amending 36 O.S. 2021, Section 1211, which relates to civil penalties related to unfair methods of competition or unfair and deceptive acts or practices; modifying civil penalties; amending 36 O.S. 2021, Section 1204, as amended by Section 16, Chapter 360, O.S.L. 2024 (36 O.S. Supp. 2025, Section 1204), which relates to unfair methods of competition and unfair or deceptive acts or practices; directing insurers providing certain additional coverage consider all building codes as being strictly enforced; amending 36 O.S. 2021, Section 1212, which relates to powers vested in the Insurance Commissioner; modifying applicability of powers; amending 36 O.S. 2021, Section 1250.4, which relates to claim files and responses to inquiries; modifying timeline for response to Insurance Commissioner inquiries; establishing that the Insurance Commissioner's dispute resolution program shall be subject to the laws and protections of the Dispute Resolution Act; establishing that only the policyholder may request mediation; making mediation voluntary except under listed circumstances; defining term; requiring claims to be submitted and fully processed through the Insurance Department's consumer complaint program before qualifying for mediation; requiring all parties to negotiate in good faith; clarifying dispute is not required to be resolved in mediation; providing procedure for rescinding settlement by policyholder; providing procedure for mediation conference; establishing when an insurer will be deemed to have failed to appear; establishing penalty for violation by insurer; permitting

Insurance Commissioner rule-making authority; amending 36 O.S. 2021, Section 1250.6, which relates to property and casualty insurers, receipt of claims, and inquiries from the Insurance Commissioner; modifying timeline for insurers to acknowledge receipt of claim; requiring acknowledgement include Homeowner Claims Bill of Rights; requiring insurer to send detailed estimate where applicable; requiring insurers issuing a personal lines residential property insurance policy to include Homeowner Claims Bill of Rights; providing minimum statement of Homeowner Claims Bill of Rights; establishing violation shall be a violation of the Unfair Claims Settlement Practices Act; amending 36 O.S. 2021, Section 1250.7, which relates to denial or acceptance of claims by property and casualty insurer; modifying timeline for acceptance or denial of claim; requiring claimant be notified in writing; requiring insurer provide reasonable explanation of payment less than specified in insurer's detailed estimate; establishing interest rate for untimely payments; prohibiting the waiver of subsection; clarifying failure to comply does not form sole basis for private cause of action; establishing policyholder right to request a physical, in-person inspection; amending 36 O.S. 2021, Section 1250.14, which relates to violations and penalties of the Unfair Claims Settlement Practices Act; modifying penalties the Commissioner may enforce under the Unfair Claims Settlement Practices Act; amending 36 O.S. 2021, Section 3639.1, which relates to personal residential insurance; prohibiting certain terminations; prohibiting certain actions by insurers for claims occurring more than five years before policy effective date or renewal; directing that insurers shall not refuse underwriting risk for homeowner's insurance in certain cases; prohibiting certain actions by insurers for certain claims; providing exceptions; directing that insurers may only consider at-fault motor vehicle claims history in provided time frame; prohibiting insurer from reducing coverage or refusing to issue or renew homeowner's policy based solely on use of aerial imaging; prohibiting insurers from reducing coverage or refusing to issue or renew homeowner's policy based solely on age of roof less than fifteen years old; requiring insurers to allow homeowners have a roof

inspection; providing procedure for calculating roof's age; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 311.5 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. By March 31, 2027, and on a quarterly basis thereafter, each insurer authorized to write personal and commercial property insurance in this state shall file with the Oklahoma Insurance Department a supplemental report with information regarding personal and commercial residential property insurance policies in this state. The report shall be filed electronically in the manner and form prescribed by the Insurance Commissioner and in accordance with any instructions on the Department's website. The supplemental report shall include separate information for personal lines, property policies, and commercial lines property policies. The report shall, at a minimum, include the following information for each ZIP code broken down by month:

1. Total number of policies in force at the end of each month;

2. Total number of policies canceled;

3. Total number of policies nonrenewed;

4. Number of new policies written;

5. Total written premium;

6. Is the insurer actively writing policies;

7. Number of policies that exclude wind coverage;

8. Number of new claims open during each month;

9. Number of claims closed during each month;

10. Number of claims pending at the end of each month; and

11. Number of claims in which either the insurer or insured invoked any form of alternative dispute resolution.

B. Supplemental quarterly reports filed with the Insurance Commissioner pursuant to this section shall be treated as working papers and documents as set out in subsection F of Section 309.4 of this title.

C. The Insurance Commissioner may use supplemental quarterly reports to assist in determining whether a market conduct examination or investigation of an insurer should be conducted. For purposes of completing a market conduct examination of any company under Sections 309.1 through 309.7 of this title, the Insurance Commissioner may, in the sole discretion of the Insurance Commissioner, use supplemental quarterly reports or amendments or addendums to such statements to assist in determining compliance with the laws of this state and rules adopted by the Insurance Commissioner and to support any regulatory actions initiated by the Insurance Commissioner.

D. For any repeated violation of this section, the Insurance Commissioner may, after notice and opportunity for a hearing, subject an insurer to a civil penalty of up to One Thousand Dollars ($1,000.00) for each occurrence, along with any other penalties set forth in applicable law. The civil penalty may be enforced in the same manner in which civil judgments may be enforced.

SECTION 2. AMENDATORY Section 7, Chapter 345, O.S.L. 2024 (36 O.S. Supp. 2025, Section 322), is amended to read as follows:

Section 322. A. The Insurance Commissioner may, if the Commissioner finds that any person or organization has violated the provisions of any statute, rule, bulletin, or order for which the Commissioner has jurisdiction, impose a penalty of not more than ~~Five Thousand Dollars ($5,000.00)~~ Ten Thousand Dollars ($10,000.00) for each such violation. In addition to or in lieu of any fine amount, the Insurance Commissioner may refuse to renew, suspend, put on probation, or revoke an insurer's certificate of authority, licenses, or any other registration or similar approval to conduct business in Oklahoma issued by the Insurance Commissioner. Such penalties may be in addition to any other penalty provided by law.

B. The Insurance Commissioner may also direct the person or organization against whom the order was issued to make complete restitution, in the form, manner, and amount and within the time period determined by the Commissioner, to all Oklahoma residents,

Oklahoma insureds, and entities operating in Oklahoma damaged by the violation or failure to comply.

C. No penalty shall be imposed except upon a written order of the Commissioner or the appointed independent hearing examiner, stating the findings of the Commissioner or the appointed independent hearing examiner after notice and opportunity for a hearing in accordance with Article II of the Administrative Procedures Act.

SECTION 3. AMENDATORY Section 19, Chapter 345, O.S.L. 2024, as amended by Section 2, Chapter 195, O.S.L. 2024 (36 O.S. Supp. 2025, Section 908), is amended to read as follows:

Section 908. A. The Insurance Commissioner may, if the Commissioner finds that any person or organization has violated the provisions of any statute, rule, or order for which the Commissioner has jurisdiction, impose a penalty of not more than ~~Five Thousand Dollars ($5,000.00)~~ Ten Thousand Dollars ($10,000.00) for each such violation. In addition to or in lieu of any fine amount, the Insurance Commissioner may refuse to renew, suspend, put on probation, or revoke an insurer's certificate of authority, licenses, or any other registration or similar approval to conduct business in Oklahoma issued by the Insurance Commissioner. Such penalties may be in addition to any other penalty provided by law.

B. The Insurance Commissioner may also direct the person or organization against whom the order was issued to make complete

restitution, in the form, manner, and amount and within the time period determined by the Commissioner, to all Oklahoma residents, Oklahoma insureds, and entities operating in Oklahoma damaged by the violation or failure to comply.

C. No penalty shall be imposed except upon a written order of the Commissioner or the appointed independent hearing examiner, stating the findings of the Commissioner or the appointed independent hearing examiner after notice and opportunity for a hearing in accordance with Article II of the Administrative Procedures Act.

SECTION 4. AMENDATORY 36 O.S. 2021, Section 942, is amended to read as follows:

Section 942. Any insurance carrier that issues motor vehicle liability or collision insurance policies in this state shall not establish or apply premium rates, increase premium rates, cancel a policy, or refuse to issue or renew a policy, based on any traffic record ~~maintained by the Department of Public Safety~~, including, but not limited to, traffic complaints, traffic citations or other legal forms of traffic charges, and accident reports, which covers a period of time more than three (3) years prior to the date the insurance carrier makes a determination to take any such action; provided, however, those offenses that are provided for in subsection C of Section 941 of this title and the offense of reckless driving as provided for in Section 11-901 of Title 47 of

the Oklahoma Statutes may be considered by an insurance carrier for a period of not more than five (5) years.

SECTION 5. AMENDATORY 36 O.S. 2021, Section 943, is amended to read as follows:

Section 943. A. No insurance carrier who issues motor vehicle policies in this state shall use traffic complaints, traffic citations or other legal forms of traffic charges as a basis for cancellation of a motor vehicle insurance policy, increasing premium rates for a motor vehicle insurance policy or refusing to issue or renew a motor vehicle insurance policy, where:

1. ~~the~~ The insured was acquitted of the charge;

2. ~~the~~ The insured was arrested and no charges were filed; or

3. ~~the~~ The insured was arrested and the charges were dismissed.

B. No insurer shall cancel, refuse to renew or otherwise terminate, a motor vehicle policy which has been in effect more than forty-five (45) days solely because the insured filed a first claim against the policy. Nothing in this subsection shall be construed to prevent the cancellation, nonrenewal or other termination, or increase in premium for any of the following reasons:

1. Nonpayment of premium;

2. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;

3. Offenses provided for in subsection C of Section 941 of this title;

4. Offenses provided for in Section 11-901 of Title 47 of the Oklahoma Statutes; or

5. A determination by the Insurance Commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of this state.

C. The Insurance Commissioner may suspend or revoke, after notice and hearing, the certificate of authority to transact insurance business in this state of any insurance carrier violating the provisions of this section or may censure the insurer or impose a fine.

SECTION 6. AMENDATORY 36 O.S. 2021, Section 961, is amended to read as follows:

Section 961. A. ~~Commencing on April 1, 2018, insurance~~ Insurance companies shall provide a premium discount or insurance rate reduction in an amount and manner as established in subsection D of this section and pursuant to ~~Section 3 of this act only when the company determines that the premium discount or rate reduction is actuarially justified and there is sufficient and credible evidence of cost savings~~ Section 963 of this title, which can be attributed to the construction standards set forth in subsection B of this section. A premium discount or rate reduction shall be available under the terms specified in this section to any owner who

builds or locates a new insurable property in the State of Oklahoma to resist loss due to tornado or other catastrophic windstorm events. ~~Insurance companies shall be required to offer such a premium discount or rate reduction only when the insurer determines they are actuarially justified and there is sufficient and credible evidence of cost savings, which can be attributed to the construction standards set forth in subsection B of this section.~~ In addition, insurance companies may also offer additional adjustments in deductible, other risk differentials, or a combination thereof, collectively referred to as other adjustments.

B. To obtain the premium discount, rate reduction, or other adjustment provided in this section, an insurable property located in this state shall be certified as constructed in accordance with Appendix ~~Y~~ X of the ~~2015~~ 2018 Oklahoma Uniform Building Code, as amended, including all tornado mitigation construction requirements, as long as its standards are equal to or greater than the FORTIFIED Home High Wind and Hail Standards as certified by the Institute for Business and Home Safety (IBHS), or the FORTIFIED Home High Wind and Hail Standards as may from time to time be adopted by the Institute for Business and Home Safety or successor entity. An insurable property shall be certified as conforming to the applicable building code only after an inspection of the insurable property has been satisfactorily completed by a certified or licensed building inspector and certified to be conforming to the applicable building

code including all high wind and hail mitigation construction requirements. An insurable property shall be certified as conforming to the FORTIFIED Home High Wind and Hail Standards only after evaluation and certification by an evaluator certified pursuant to the FORTIFIED Home High Wind and Hail Standards.

C. An owner of insurable property claiming a premium discount, rate reduction, or other adjustment pursuant to this section shall maintain sufficient certification records and construction records including, but not limited to, a certification of compliance with the applicable building code or the FORTIFIED Home High Wind and Hail Standards provided in subsection B of this section, receipts from contractors, receipts for materials and records from local building officials. The records shall be subject to audit by the Insurance Commissioner, or his or her representatives, and copies of any such records shall be presented to the insurer or potential insurer of a property owner before the premium discount, rate reduction, or other adjustment becomes effective for the insurable property.

D. Insurers that write policies that are subject to the premium discount or rate reduction in this section and that are required to submit rates and rating plans to the Commissioner pursuant to Section 987 of ~~Title 36 of the Oklahoma Statutes~~ this title shall submit a rating plan certified by their actuary ~~as actuarially justified~~ providing for the premium discount or rate reduction

described in this section. An insurer is not required to provide the same amount of premium discount, rate reduction, or other adjustment for a building code insurable property as the insurer would to an insurable property conforming to the FORTIFIED Home High Wind and Hail Standards. A premium discount, rate reduction, or other adjustment shall only apply to policies that provide wind or hail coverage and to that portion of the premium for wind or hail coverage. A premium discount, rate reduction, or other adjustment shall apply exclusively to the wind and hail premium applicable to improved insurable property. If an insurer already offers ~~an actuarially justified~~ a hail resistance discount, that hail-related discount shall be deemed as having met the requirements of this act as it pertains to hail-related discounts or rate reductions and no additional hail-related discount or rate reduction shall be required. If an insurer already offers ~~an actuarially justified~~ a discount for IBHS FORTIFIED Home standards, that discount shall be deemed as having met the requirements of this act as it pertains to wind-related discounts or rate reductions and no additional wind-related discount or rate reduction shall be required. Insurers shall apply any applicable premium discount, rate reduction, or other adjustment to the wind and hail premium at the policy renewal that follows the submission of the certification to the insurer. At the time of a policy renewal for which a premium discount, rate reduction, or other adjustment has previously been made, the insurer

may request documentation or recertification that the fortified standards as described in subsection C of this section continue to be met. In addition to the requirements of this section, an insurer may voluntarily offer any other mitigation adjustment that the insurer deems appropriate.

SECTION 7. AMENDATORY 36 O.S. 2021, Section 962, is amended to read as follows:

Section 962. A. ~~Commencing on April 1, 2018, insurance~~ Insurance companies shall provide a premium discount or insurance rate reduction in an amount and manner as established in subsection D of this section and pursuant to ~~Section 3 of this act only when the company determines that the premium discount or rate~~ ~~reduction is actuarially justified and there is sufficient and credible evidence of cost savings~~ Section 963 of this title, which can be attributed to the construction standards set forth in subsection B of this section. A premium discount or rate reduction shall be available under the terms specified in this section to any owner who retrofits his or her insurable property located in the State of Oklahoma to resist loss due to tornado or other catastrophic windstorm events. ~~Insurance companies shall be required to offer a premium discount or rate reduction only when the insurer has deemed the adjustments to be actuarially justified and there is sufficient and credible evidence of cost savings, which can be attributed to the construction standards set forth in subsection B of this~~

~~section.~~ In addition, insurance companies may also offer additional adjustments in deductible, other risk differentials, or a combination thereof, collectively referred to as other adjustments.

B. To obtain the premium discount, rate reduction, or other adjustment provided in this section, an insurable property shall be retrofitted to the FORTIFIED Home High Wind and Hail Standards, as may from time to time be adopted by the Institute for Business and Home Safety (IBHS). Wind-Zone-3-HUD-Code manufactured homes installed on a permanent foundation and retrofitted as defined in the FORTIFIED Home High Wind and Hail Standards, as may from time to time be adopted by the Institute for Business and Home Safety, shall be eligible for the premium discount or rate reduction provided in this section. An insurable property shall be certified as conforming to FORTIFIED Home High Wind and Hail Standards only after evaluation and certification by an evaluator certified pursuant to the FORTIFIED Home High Wind and Hail Standards.

C. An owner of insurable property claiming a premium discount, rate reduction, or other adjustment pursuant to this section shall maintain sufficient certification records and construction records including, but not limited to, a certification of compliance with the FORTIFIED Home High Wind and Hail Standards as provided in subsection B of this section, receipts from contractors, and receipts for materials. The records shall be subject to audit by the Insurance Commissioner, or his or her representatives, and

copies of any such records shall be presented to the insurer or potential insurer of a property owner before the premium discount, rate reduction, or other adjustment becomes effective for the insurable property.

D. Insurers that write policies that are subject to the premium discount or rate reduction in this section and that are required to submit rates and rating plans to the Commissioner pursuant to Section 987 of ~~Title 36 of the Oklahoma Statutes~~ this title shall submit rating plans certified by their actuary ~~as actuarially justified~~ providing for the premium discounts or rate reductions described in this section. A premium discount, rate reduction, or other adjustment shall only apply to policies that provide wind or hail coverage and to that portion of the premium for wind or hail coverage. A premium discount, rate reduction, or other adjustment shall apply exclusively to the wind and hail premium applicable to improved insurable property. If an insurer already offers ~~an actuarially justified~~ a hail resistance discount, that hail-related discount shall be deemed as having met the requirements of this act as it pertains to hail-related discounts or rate reductions and no additional hail-related discount or rate reduction shall be required. If an insurer already offers ~~an actuarially justified~~ a discount for IBHS FORTIFIED Home standards, that discount shall be deemed as having met the requirements of this act as it pertains to wind-related discounts or rate reductions and no additional wind-

related discount or rate reduction shall be required. Insurers shall apply the premium discount, rate reduction, or other adjustment to the wind premium at the policy renewal that follows the submission of the certification to the insurer. At the time of a policy renewal for which a premium discount, rate reduction, or other adjustment has previously been made, the insurer may request documentation or recertification that the fortified standards as described in subsection C of this section continue to be met. In addition to the requirements of this section, an insurer may voluntarily offer any other mitigation adjustment that the insurer deems appropriate.

SECTION 8. AMENDATORY 36 O.S. 2021, Section 1211, is amended to read as follows:

Section 1211. A. Any person who violates a cease and desist order of the Insurance Commissioner issued and served pursuant to the provisions of Section 1207 of this title, after it has become final, and while such order is in effect, shall, upon proof thereof to the satisfaction of the court, forfeit and pay to the State of Oklahoma a civil penalty of not ~~less than One Hundred Dollars ($100.00), nor~~ more than ~~One Thousand Dollars ($1,000.00)~~ Twenty-five Thousand Dollars ($25,000.00) for each violation.

B. The Commissioner may also direct the person against whom the order was issued to make complete restitution, in the form, manner, and amount and within the time period determined by the

Commissioner, to all Oklahoma residents, Oklahoma insureds, and entities operating in Oklahoma damaged by the violation or failure to comply.

SECTION 9. AMENDATORY 36 O.S. 2021, Section 1204, as amended by Section 16, Chapter 360, O.S.L. 2024 (36 O.S. Supp. 2025, Section 1204), is amended to read as follows:

Section 1204. The following are hereby defined as unfair methods of competition and unfair and deceptive acts or practices in the business of insurance:

1. Misrepresentations and false advertising of policy contracts. Making, issuing, circulating, or causing to be made, issued or circulated, any estimate, illustration, circular or statement misrepresenting the terms of any policy issued or to be issued or the benefits or advantages promised thereby or the dividends or share of the surplus to be received thereon, or making any false or misleading statement as to the dividends or share of surplus previously paid on similar policies, or making any misleading representation or any misrepresentation as to the financial condition of any insurer, or as to the legal reserve system upon which any life insurer operates, or using any name or title of any policy or class of policies misrepresenting the true nature thereof, or making any misrepresentation to any policyholder insured in any company for the purpose of inducing or tending to

induce such policyholder to lapse, forfeit, or surrender his or her insurance;

2. False information and advertising generally. Making, publishing, disseminating, circulating, or placing before the public, or causing, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in a newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter or poster, or over any radio or television station, or in any other way an advertisement, announcement or statement containing any assertion, representation or statement with respect to the business of insurance or with respect to any person in the conduct of his or her insurance business which is untrue, deceptive or misleading. No insurance company shall issue, or cause to be issued, any policy of insurance of any type or description upon life, or property, real or personal, whenever such policy of insurance is to be furnished or delivered to the purchaser or bailee of any property, real or personal, as an inducement to purchase or bail such property, real or personal, and no other person shall advertise, offer or give free insurance, insurance without cost or for less than the approved or customary rate, in connection with the sale or bailment of real or personal property, except as provided in Section 4101 of this title. No person that is not an insurer shall assume or use any name which deceptively infers or suggests that it is an insurer;

3. Defamation. Making, publishing, disseminating, or circulating, directly or indirectly, or aiding, abetting or encouraging the making, publishing, disseminating or circulating of any oral or written statement or any pamphlet, circular, article or literature which is false, or maliciously critical of or derogatory to the financial condition of an insurer, and which is calculated to injure any person engaged in the business of insurance;

4. Boycott, coercion and intimidation. Entering into any agreement to commit, or by any concerted action committing, any act of boycott, coercion or intimidation resulting in or tending to result in unreasonable restraint of, or monopoly in, the business of insurance;

5. False financial statements. Filing with any supervisory or other public official, or making, publishing, disseminating, circulating or delivering to any person, or placing before the public or causing directly or indirectly, to be made, published, disseminated, circulated, delivered to any person or placed before the public, any false statement of financial condition of an insurer with intent to deceive.

Making any false entry in any book, report or statement of any insurer with intent to deceive any agent or examiner lawfully appointed to examine into its condition or into any of its affairs, or any public official to whom such insurer is required by law to report, or who has authority by law to examine into its condition or

into any of its affairs, or, with like intent, willfully omitting to make a true entry of any material fact pertaining to the business of such insurer in any book, report or statement of such insurer;

6. Stock operations and advisory board contracts. Issuing or delivering or permitting agents, officers, or employees to issue or deliver agency company stock or other capital stock, or benefit certificates or shares in any common-law corporation, or securities or any special or advisory board contracts or other contracts of any kind promising returns and profits as an inducement to insurance;

7. Unfair discrimination.

(a) Making or permitting any unfair discrimination between individuals of the same class and equal expectation of life in the rates charged for any contract of life insurance or of life annuity or in the dividends or other benefits payable thereon, or in any other of the terms and conditions of such contract.

(b) Making or permitting any unfair discrimination between individuals of the same class and of essentially the same hazard in the amount of premium, policy fees, or rates charged for any policy or contract of accident or health insurance or in the benefits payable thereunder, or in any of the terms or conditions of such contract, or in any other manner whatever.

(c) As to kinds of insurance other than life and accident and health, no person shall make or permit any unfair discrimination in favor of particular persons, or between insureds or subjects of insurance having substantially like insuring, risk, and exposure factors, or expense elements, in the terms or conditions of any insurance contract, or in the rate or amount of premium charged therefor. This paragraph shall not apply as to any premium rate in effect pursuant to Article 9 of the Oklahoma Insurance Code;

8. Rebates.

(a) Except as otherwise expressly provided by law, knowingly permitting or offering to make or making any contract of insurance or agreement as to such contract other than as plainly expressed in the contract issued thereon; or paying or allowing, or giving or offering to pay, allow or give, directly or indirectly, as inducement to any contract of insurance, any rebate of premiums payable on the contract, or any special favor or advantage in the dividends or other benefits thereon, or any valuable consideration or inducement whatever not specified in the contract; except in accordance with an applicable rate filing, rating plan or rating system filed with and approved by the

Insurance Commissioner; or giving or selling or purchasing or offering to give, sell, or purchase as inducement to such insurance, or in connection therewith, any stocks, bonds or other securities of any company, or any dividends or profits accrued thereon, or anything of value whatsoever not specified in the contract or receiving or accepting as inducement to contracts of insurance, any rebate of premium payable on the contract, or any special favor or advantage in the dividends or other benefit to accrue thereon, or any valuable consideration or inducement not specified in the contract.

(b) Nothing in paragraph 7 or subparagraph (a) of this paragraph shall be construed as including within the definition of discrimination or rebates any of the following practices:

(1) in the case of any contract of life insurance or life annuity, paying bonuses to policyholders or otherwise abating their premiums in whole or in part out of surplus accumulated from nonparticipating insurance, provided that any such bonuses or abatement of premiums shall be fair and equitable to policyholders and for the

best interest of the company and its policyholders,

(2) in the case of life or accident and health insurance policies issued on the industrial debit or weekly premium plan, making allowance to policyholders who have continuously for a specified period made premium payments directly to an office of the insurer in an amount which fairly represents the saving in collection expense,

(3) making a readjustment of the rate of premium for a policy based on the loss or expense experience thereunder, at the end of the first or any subsequent policy year of insurance thereunder, which may be made retroactive only for such policy year,

(4) in the case of life insurance companies, allowing its bona fide employees to receive a commission on the premiums paid by them on policies on their own lives,

(5) issuing life or accident and health policies on a salary saving or payroll deduction plan at a reduced rate commensurate with the savings made by the use of such plan, and

(6) paying commissions or other compensation to duly licensed agents or brokers, or allowing or returning to participating policyholders, members or subscribers, dividends, savings or unabsorbed premium deposits.

(c) As used in this section, the word "insurance" includes suretyship and the word "policy" includes bond;

9. Coercion prohibited. Requiring as a condition precedent to the purchase of, or the lending of money upon the security of, real or personal property, that any insurance covering such property, or liability arising from the ownership, maintenance or use thereof, be procured by or on behalf of the vendee or by the borrower in connection with such purchase or loan through any particular person or agent or in any particular insurer, or requiring the payment of a reasonable fee as a condition precedent to the replacement of insurance coverage on mortgaged property at the anniversary date of the policy; provided, however, that this provision shall not prevent the exercise by any such vendor or lender of the right to approve or disapprove any insurer selected to underwrite the insurance, but any disapproval of any insurer shall be on reasonable grounds;

10. Inducements. No insurer, agent, broker, solicitor, or other person shall, as an inducement to insurance or in connection with any insurance transaction, provide in any policy for or offer, sell, buy, or offer or promise to buy, sell, give, promise, or allow

to the insured or prospective insured or to any other person in his or her behalf in any manner whatsoever:

(a) any employment,

(b) any shares of stock or other securities issued or at any time to be issued or any interest therein or rights thereto,

(c) any advisory board contract, or any similar contract, agreement or understanding, offering, providing for, or promising any special profits,

(d) any prizes, goods, wares, merchandise, or tangible property of an aggregate value in excess of One Hundred Dollars ($100.00), or

(e) any special favor, advantage or other benefit in the payment, method of payment or credit for payment of the premium through the use of credit cards, credit card facilities, credit card lists, or wholesale or retail credit accounts of another person. The provisions of this paragraph shall not apply to individual policies insuring against loss resulting from bodily injury or death by accident as defined by Article 44 of the Oklahoma Insurance Code;

11. Premature disposal of premium notes prohibited. No insurer or agent thereof shall hypothecate, sell, or dispose of a promissory

note received in payment of any part of a premium on a policy of insurance applied for prior to the delivery of the policy;

12. Fraudulent statement in application. Any insurance agent, examining physician, or other person who knowingly or willfully makes a false or fraudulent statement or representation in or relative to an application for insurance, or who makes any such statement to obtain a fee, commission, money, or benefit, shall be guilty of a misdemeanor;

13. Deceptive use of financial institution's name in notification or solicitation. Verbally or by any other means notifying or soliciting any person in a manner that:

(a) mentions the name of an unrelated and unaffiliated financial institution,

(b) mentions an insurance product or the possible lack of insurance coverage,

(c) does not mention the actual or trade name of the insurance agency or company on whose behalf the notification or solicitation is provided, and

(d) thereby creates an impression or implication, including by omission, that the financial institution or a financial-institution-authorized entity is or may be the one making the notification or solicitation.

Nothing in this paragraph shall be interpreted to prohibit the reference to or use of the name of a financial institution made

pursuant to a contractual agreement between the insurer and the financial institution; ~~and~~

14. No insurer or prepaid vision plan organization as defined in Section 1 of this act which offers multiple prepaid vision plans may require as a condition of participation in any one prepaid vision plan that a vision care provider participate in any of the other prepaid vision plans offered by the insurer or prepaid vision plan organization; and

15. Insurers providing additional coverage for an additional premium as an exception to ordinance or law exclusions shall consider all building codes as being strictly enforced.

SECTION 10. AMENDATORY 36 O.S. 2021, Section 1212, is amended to read as follows:

Section 1212. The powers vested in the Commissioner by this article shall be additional to any other powers to enforce penalties, fines or forfeitures authorized by law with respect to ~~the methods, acts and practices hereby declared to be unfair or deceptive~~ violations of Title 36 of the Oklahoma Statutes.

SECTION 11. AMENDATORY 36 O.S. 2021, Section 1250.4, is amended to read as follows:

Section 1250.4. A. An insurer's claim files shall be subject to examination by the Insurance Commissioner or by duly appointed designees. Such files shall contain all notes and work papers pertaining to a claim in such detail that pertinent events and the

dates of such events can be reconstructed. In addition, the Insurance Commissioner, authorized employees and examiners shall have access to any of an insurer's files that may relate to a particular complaint under investigation or to an inquiry or examination by the Insurance Department.

B. Any person subject to the jurisdiction of the Commissioner, upon receipt of any inquiry from the Commissioner shall, within ~~twenty (20)~~ fourteen (14) calendar days from the date of receipt of the inquiry, furnish the Commissioner with an adequate response to the inquiry. The Commissioner may, upon good cause shown and on a case-by-case basis, extend the time allowed for a response for up to seven (7) additional calendar days. Any inquiry or response subject to this subsection shall be delivered electronically.

C. Every insurer, upon receipt of any pertinent written communication including but not limited to ~~e-mail~~ email or other forms of written electronic communication, or documentation by the insurer of a verbal communication from a claimant which reasonably suggests that a response is expected, shall, within ~~thirty (30)~~ fourteen (14) calendar days after receipt thereof, furnish the claimant with an adequate response to the communication.

D. Any violation by an insurer of this section shall subject the insurer to discipline including a civil penalty of not ~~less than One Hundred Dollars ($100.00) nor~~ more than ~~Five Thousand Dollars ($5,000.00)~~ Ten Thousand Dollars ($10,000.00).

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1250.4a of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The Insurance Commissioner's dispute resolution program shall help consumers and insurance companies effectively, economically, fairly, and timely resolve disputes with persons or entities subject to the jurisdiction of the Insurance Commissioner and related to insurance or service warranty claims. The dispute resolution program shall be subject to the laws and protections of the Dispute Resolution Act, Sections 1801 through 1813 of Title 12 of the Oklahoma Statutes, and the rules promulgated thereto.

B. Mediation may be requested only by the policyholder, as a first-party claimant or the insurer.

C. Mediation is voluntary except that insurers shall participate in any mediation requested by a first-party claimant that meets the following criteria:

1. Involves an insurance claim under a personal residential insurance policy or personal automobile insurance policy; and

2. No civil litigation has commenced relating to the claim to be mediated.

D. For purposes of this section, the term "claim" refers to any dispute between an insurer and a policyholder relating to a material issue of fact other than a dispute:

1. With respect to which the insurer has a reasonable basis to suspect fraud;

2. When, based on all the information presented to the Insurance Commissioner as to the cause of loss, there appears to be no coverage under the policy;

3. With respect to which the insurer has a reasonable basis to believe that the policyholder has intentionally made a material misrepresentation of fact which is relevant to the claim, and the entire request for payment of a loss has been denied on the basis of the material misrepresentation;

4. When, based on all of the information presented to the Insurance Commissioner, the policyholder appears to have suffered no actual monetary or property loss;

5. When a claim is outside the time frames prescribed in applicable law; or

6. When a claim has been paid in full prior to any mediation conference held pursuant to this section.

E. A claim shall not be eligible for mediation unless it has first been submitted and fully processed through the Oklahoma Insurance Department's consumer complaint program.

F. All parties to the mediation must negotiate in good faith to resolve the dispute and must have the authority to immediately settle the claim; however, there is no requirement that the dispute be resolved in mediation. If a written settlement is reached and

the policyholder is not represented by an attorney, the policyholder has three (3) business days within which the policyholder may rescind the settlement unless the policyholder has cashed or deposited any check, draft, or other payment made to the policyholder as a result of the settlement. If a settlement agreement is reached and is not rescinded, it shall be binding and act as a release of all specific claims presented in the mediation conference.

G. The mediation conference shall be held as scheduled by the dispute resolution program coordinator. Upon application by any party for a continuance, the program coordinator shall, for good cause shown or if neither party objects, grant a continuance and shall notify all parties of the date and place of the rescheduled conference. Good cause also includes severe illness, injury, or other emergency that could not be controlled by the party and could not reasonably be remedied by the party prior to the conference by providing a replacement representative or otherwise. Good cause includes the necessity of obtaining additional information, securing the attendance of a necessary professional, or the avoidance of significant financial hardship. If the policyholder demonstrates to the mediator the need for an expedited mediation conference due to an undue hardship, the conference shall be conducted at the earliest date convenient to all of the parties and the mediator. Undue hardship will be demonstrated when holding the conference on a non-

expedited basis would interfere with or contradict the treatment of a severe illness or injury, substantially impair a party's ability to assert their position at the conference, result in significant financial hardship, or other reasonably justified grounds.

H. An insurer will be deemed to have failed to appear if the insurer's representative lacks authority to settle the full value of the claim. The authority to settle the claim includes the ability to disburse the full settlement amount within ten (10) days of the conclusion of the conference. The insurer shall produce at the conference a copy of the policy.

I. Any violation by an insurer of this section shall subject the insurer to discipline including a civil penalty of not more than Ten Thousand Dollars ($10,000.00), in addition to any other penalties provided for by law.

J. The Insurance Commissioner may adopt and promulgate rules for the implementation and administration of this section, including, but not limited to, the amount and who is responsible for the payment of any fees in the event costs of the program are not fully covered by the Administrative Office of the Courts, and the expansion or restriction of eligibility criteria for claims subject to mandatory and voluntary mediation under this section.

SECTION 13. AMENDATORY 36 O.S. 2021, Section 1250.6, is amended to read as follows:

Section 1250.6. A. Every property and casualty insurer, within ~~thirty (30)~~ fourteen (14) days after receiving notification of a claim, shall acknowledge the receipt of such notification unless payment is made within such period of time. If an acknowledgement is made by means other than writing, an appropriate notation of such acknowledgement shall be made in the claim file of the property and casualty insurer, and dated. Notification given to an agent of a property and casualty insurer shall be notification to the insurer. The acknowledgment shall include the Homeowner Claims Bill of Rights set forth in Section 9 of this act.

B. Every property and casualty insurer, upon receiving notification of a claim, promptly shall provide necessary claim forms, instruction, and reasonable assistance so that first-party claimants can comply with the policy conditions and the reasonable requirements of the property and casualty insurer. Compliance with this ~~paragraph~~ subsection within thirty (30) days after notification of a claim shall constitute compliance with subsection A of this section.

C. Every property and casualty insurer must send the policyholder a copy of any detailed estimate of the amount of the loss within seven (7) days after the estimate is generated by an insurer's adjuster. This subsection does not require that an insurer create a detailed estimate of the amount of the loss if such

estimate is not reasonably necessary as part of the claim investigation.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 1250.6a of Title 36, unless there is created a duplication in numbering, reads as follows:

A. An insurer issuing a personal lines residential property insurance policy in this state must provide a Homeowner Claims Bill of Rights to a policyholder within fourteen (14) days after receiving an initial communication with respect to a claim. The purpose of the bill of rights is to summarize, in simple, nontechnical terms, existing Oklahoma law regarding the rights of a personal lines residential property insurance policyholder who files a claim of loss. The Homeowner Claims Bill of Rights is specific to the claims process and does not represent all of a policyholder's rights under Oklahoma law regarding the insurance policy. The Homeowner Claims Bill of Rights does not enlarge, modify, or contravene statutory requirements, including, but not limited to, Sections 1204, 1250.6, 1250.7, and 6202 of Title 36 of the Oklahoma Statutes and OAC 365:1-11, and does not prohibit an insurer from exercising any right to repair damaged property in compliance with the terms of an applicable policy. The Homeowner Claims Bill of Rights must, at a minimum, state:

HOMEOWNER CLAIMS BILL OF RIGHTS

This Bill of Rights is specific to the claims process and does not represent all of your rights under Oklahoma law regarding your policy. This document does not prohibit an insurer from exercising any right to repair damaged property in compliance with the terms of an applicable policy.

YOU HAVE THE RIGHT TO:

1. Receive from your insurance company an acknowledgment of your reported claim within fourteen (14) days after the time you communicated the claim.

2. Receive from your insurance company within thirty (30) days after you have submitted an executed proof of loss statement to your insurance company, confirmation that your claim is accepted or denied or if further investigation is necessary.

3. Receive from your insurance company a copy of any detailed estimate of the amount of the loss within seven (7) days after the estimate is generated by the insurance company's adjuster.

4. Receive from your insurance company within sixty (60) days after you have submitted an executed proof of loss statement either:

a. full settlement payment for your claim or payment of the undisputed portion of your claim,

b. denial of your claim, or

c. notice that the insurer needs more time to investigate the claim and stating the reasons why.

5. If insurer provides notice that it needs more time to investigate the claim, receive from your insurance company within ninety (90) days after you have submitted an executed proof of loss statement either:

a. full settlement payment for your claim or payment of the undisputed portion of your claim, or

b. denial of your claim.

In the event of a weather-related catastrophe or a major natural disaster, as declared by the Governor, the Insurance Commissioner may approve a request to extend this deadline an additional twenty (20) days.

6. Contact the Oklahoma Insurance Department via telephone or website for assistance with any insurance claim or questions pertaining to the handling of your claim.

YOU ARE ADVISED TO:

1. File all claims directly with your insurance company.

2. Contact your insurance company before entering into any contract for repairs to confirm any managed repair policy provisions or optional preferred vendors.

3. Make and document emergency repairs that are necessary to prevent further damage. Keep the damaged property, if feasible, keep all receipts, and take photographs or video of damage before and after any repairs to provide to your insurer.

4. Carefully read any contract that requires you to pay out-of-pocket expenses or a fee that is based on a percentage of the insurance proceeds that you will receive for repairing or replacing your property.

5. Confirm that the contractor you choose is licensed to do business in Oklahoma. You can verify a contractor's license and check to see if there are any complaints against him or her by using the Oklahoma Construction Industries Board's website. You should also ask the contractor for references from previous work.

6. Require all contractors to provide proof of insurance before beginning repairs.

7. Take precautions if the damage requires you to leave your home, including securing your property and turning off your gas, water, and electricity, and contacting your insurance company and provide a phone number where you can be reached.

B. Any violation of this section shall be a violation of the Unfair Claims Settlement Practices Act, and the Insurance Commissioner may, after notice and opportunity for a hearing, subject an insurer to the civil penalties set forth in Sections 1250.13 and 1250.14 of this title, along with any other penalties set forth in applicable law.

SECTION 15. AMENDATORY 36 O.S. 2021, Section 1250.7, is amended to read as follows:

Section 1250.7. A. Within ~~sixty (60)~~ thirty (30) days after receipt by a property and casualty insurer of properly executed proofs of loss, the first-party claimant shall be advised of the acceptance or denial of the claim by the insurer, or if further investigation is necessary. No property and casualty insurer shall deny a claim because of a specific policy provision, condition, or exclusion unless reference to such provision, condition, or exclusion is included in the denial. A denial shall be given to any claimant in writing, and the claim file of the property and casualty insurer shall contain a copy of the denial. If there is a reasonable basis supported by specific information available for review by the Commissioner that the first-party claimant has fraudulently caused or contributed to the loss, a property and casualty insurer shall be relieved from the requirements of this subsection. In the event of a weather-related catastrophe or a major natural disaster, as declared by the Governor, the Insurance Commissioner may extend the deadline imposed under this subsection an additional twenty (20) days.

B. If a claim is denied for reasons other than those described in subsection A of this section, and is made by any other means than writing, an appropriate notation shall be made in the claim file of the property and casualty insurer until such time as a written confirmation can be made.

C. Every property and casualty insurer shall complete investigation of a claim within sixty (60) days after notification of proof of loss unless such investigation cannot reasonably be completed within such time. If such investigation cannot be completed, or if a property and casualty insurer needs more time to determine whether a claim should be accepted or denied, it shall ~~so~~ notify the claimant in writing within sixty (60) days after receipt of the proofs of loss, giving reasons why more time is needed. ~~If the investigation remains incomplete, a property and casualty insurer shall, within sixty (60) days from the date of the initial notification, send to such claimant a letter setting forth the reasons additional time is needed for investigation.~~ Except for an investigation of possible fraud or arson which is supported by specific information giving a reasonable basis for the investigation, the time for investigation shall not exceed ~~one hundred twenty (120)~~ ninety (90) days after receipt of proof of loss. Provided, in the event of a weather-related catastrophe or a major natural disaster, as declared by the Governor, the Insurance Commissioner may extend this deadline for investigation an additional twenty (20) days.

D. Within the applicable timelines set forth in subsection C of this section, the insurer shall pay or deny such claim. If the insurer's claim payment is less than specified in any insurer's detailed estimate pursuant to subsection C of Section 1250.6 of this

title of the amount of the loss, the insurer must provide a reasonable explanation in writing of the difference to the policyholder. Any untimely payment of an initial or supplemental claim or portion of such claim shall bear simple interest at the rate of ten percent (10%) per year. Interest begins to accrue from the date the insurer receives notice of the claim. The provisions of this subsection may not be waived, voided, or nullified by the terms of the insurance policy. If there is a right to prejudgment interest, the insured must select whether to receive prejudgment interest or interest under this subsection. Interest is payable when the claim or portion of the claim is paid. Failure to comply with this subsection constitutes a violation of this code. However, failure to comply with this subsection does not form the sole basis for a private cause of action.

E. Insurers shall not fail to settle first-party claims on the basis that responsibility for payment should be assumed by others except as may otherwise be provided by policy provisions.

~~E.~~ F. Insurers shall not continue or delay negotiations for settlement of a claim directly with a claimant who is neither an attorney nor represented by an attorney, for a length of time which causes the claimant's rights to be affected by a statute of limitations, or a policy or contract time limit, without giving the claimant written notice that the time limit is expiring and may affect the claimant's rights. Such notice shall be given to first-

party claimants and third-party claimants one (1) year after the date of the loss.

~~F.~~ G. No insurer shall make statements which indicate that the rights of a third-party claimant may be impaired if a form or release is not completed within a given period of time unless the statement is given for the purpose of notifying a third-party claimant of the provision of a statute of limitations.

~~G.~~ H. If a lawsuit on the claim is initiated, the time limits provided for in this section shall not apply.

I. If an insurer denies a homeowner's claim, in whole or in part, based solely on the use of video recordings or photographs of the loss using aerial imaging, including drones, driverless vehicle, or other machine that can move independently or through remote control, the insurer shall establish, if not already existing, a process allowing the insured to appeal such denial within at least thirty (30) days of the insured's receipt of the insurer's full and final determination on the claim. The insurer's evaluation of an appeal pursuant to this subsection shall include an in-person inspection of the loss. A determination on the appeal shall be completed, and the insured notified, within thirty (30) days of the request of the appeal.

SECTION 16. AMENDATORY 36 O.S. 2021, Section 1250.14, is amended to read as follows:

Section 1250.14. A. For any violation of the Unfair Claims Settlement Practices Act, the Insurance Commissioner may, after notice and hearing, subject an insurer to a civil penalty of not ~~less than One Hundred Dollars ($100.00) nor~~ more than ~~Five Thousand Dollars ($5,000.00)~~ Ten Thousand Dollars ($10,000.00) for each occurrence. In addition to or in lieu of any fine amount, the Insurance Commissioner may refuse to renew, suspend, put on probation, or revoke an insurer's certificate of authority, license, or any other registration or similar approval to conduct business in Oklahoma issued by the Insurance Commissioner. Such civil penalty may be enforced in the same manner in which civil judgments may be enforced.

B. The Insurance Commissioner may also direct the insurer against whom the order was issued to make complete restitution, in the form, manner, and amount and within the time period determined by the Commissioner, to all Oklahoma residents, Oklahoma insureds, and entities operating in Oklahoma damaged by the violation or failure to comply.

SECTION 17. AMENDATORY 36 O.S. 2021, Section 3639.1, is amended to read as follows:

Section 3639.1. A. No insurer shall cancel, refuse to renew or otherwise terminate, or increase the premium of a homeowner's insurance policy or any other personal residential insurance coverage, which has been in effect more than forty-five (45) days,

solely because the insured filed a first claim against the policy or submitted any number of inquiries on the policy.

B. No insurer shall cancel, refuse to renew or otherwise terminate, or increase the premium of a homeowner's insurance policy or any other personal residential insurance coverage, including, but not limited to, flood insurance, because of a claim that occurred more than five (5) years before the effective date of the policy or renewal. No insurer shall refuse to underwrite risk for a homeowner's insurance policy or any other personal residential insurance coverage, including, but not limited to, flood insurance, because of a claim that occurred more than five (5) years before the date of application.

C. No insurer shall cancel, refuse to renew or otherwise terminate, or increase the premium of a homeowner's insurance policy or any other personal residential insurance coverage, including, but not limited to, flood insurance, based on the claims history of an insured for weather-related claims, unless there were three or more weather-related claims within the preceding three-year period. This subsection shall not apply to claims for weather-related events for which the insurer provided written notice to the insured for reasonable or customary repairs or replacement specific to the insured's premises or dwelling which the insured failed to make and which, if made, would have prevented the loss for which a claim was made.

D. The provisions of this section shall not be construed to prevent the cancellation, nonrenewal or increase in premium of a homeowner's insurance policy for the following reasons:

1. Nonpayment of premium;

2. Discovery of fraud or material misrepresentation in the procurement of the insurance or with respect to any claims submitted thereunder;

3. Discovery of willful or reckless acts or omissions on the part of the named insured which increase any hazard insured against;

4. A change in the risk which substantially increases any hazard insured against after insurance coverage has been issued or renewed;

5. Violation of any local fire, health, safety, building, or construction regulation or ordinance with respect to any insured property or the occupancy thereof which substantially increases any hazard insured against;

6. A determination by the Insurance Commissioner that the continuation of the policy would place the insurer in violation of the insurance laws of this state; or

7. Conviction of the named insured of a crime having as one of its necessary elements an act increasing any hazard insured against.

~~B.~~ E. An insurer shall give to the named insured at the mailing address shown on a homeowner's policy, a written renewal notice that shall include new premium, new deductible, new limits or coverage at

least thirty (30) days prior to the expiration date of the policy. If the insurer fails to provide such notice, the premium, deductible, limits and coverage provided to the named insurer prior to the change shall remain in effect until notice is given or until the effective date of replacement coverage obtained by the named insured, whichever occurs first. If notice is given by mail, the notice shall be deemed to have been given on the day the notice is mailed. If the insured elects not to renew, any earned premium for the period of extension of the terminated policy shall be calculated pro rata at the lower of the current or previous year's rate. If the insured accepts the renewal, the premium increase, if any, and other changes shall be effective the day following the prior policy's expiration or anniversary date.

~~C.~~ F. In the event an insured cancels a homeowner's insurance policy or any other personal residential insurance coverage, written notice shall be provided by the insured to the insurer that provided the coverage being canceled. The notice of cancellation shall provide the date of the cancellation of the policy and the insurer shall reimburse the insured for any premiums paid for coverage beyond the date of cancellation of the policy.

~~D.~~ G. An insurer canceling a policy under subsection ~~C~~ F of this section shall not be liable for claims arising after the date of cancellation.

H. If an insurer denies a homeowner's claim, in whole or in part, reduces coverage, refuses to issue, or refuses to renew a homeowner's policy based solely on the use of video recordings or photographs of the loss using aerial imaging, including drones, driverless vehicle, or other machine that can move independently or through remote control, the insurer shall establish, if not already existing, a process allowing the homeowner to appeal such denial within at least thirty (30) days of the homeowner's receipt of the insurer's full and final determination on the claim or decision to reduce coverage, refusal to issue, or refusal to renew the homeowner's policy. The insurer's evaluation of an appeal pursuant to this subsection shall include an in-person inspection of the loss. A determination on the appeal shall be completed, and the homeowner notified, within thirty (30) days of the request of the appeal.

I. An insurer shall not reduce coverage, refuse to issue, or refuse to renew a homeowner's policy insuring a residential structure with a roof that is less than fifteen (15) years old solely because of the age of the roof.

J. 1. For a roof that is at least fifteen (15) years old, an insurer must allow a homeowner to have a roof inspection performed by an authorized inspector at the homeowner's expense before requiring the replacement of the roof of a residential structure as a condition of issuing or renewing a homeowner's insurance policy.

The insurer may not refuse to issue or refuse to renew a homeowner's insurance policy solely because of roof age if an inspection of the roof of the residential structure performed by an authorized inspector indicates that the roof has five (5) years or more of useful life remaining.

2. As used in this section, the term "authorized inspector" means an inspector who is approved by the insurer and who is:

a. a licensed adjuster as defined in Section 6202 of this title,

b. a licensed home inspector as defined in Section 858-622 of Title 59 of the Oklahoma Statutes,

c. a building code inspector certified under Section 1000.23 of Title 59 of the Oklahoma Statutes,

d. a registered roofing contractor pursuant to Section 1151.3 of Title 59 of the Oklahoma Statutes,

e. a professional engineer licensed under Section 475.12a of Title 59 of the Oklahoma Statutes, or

f. a professional architect licensed under Section 46.8a of Title 59 of the Oklahoma Statutes.

3. For purposes of this section, a roof's age shall be calculated using the last date on which one hundred percent (100%) of the roof's surface area was built or replaced in accordance with the building code in effect at that time or the initial date of a partial roof replacement with subsequent partial roof builds or

replacements that result in one hundred percent (100%) of the roof's surface area being built or replaced.

K. For purposes of subsection A, the following definitions shall apply:

1. "Claim" means a contact with an insurer by an insured or thirty party, as an assignee of the policy benefits, for the purpose of seeking payment. A claim shall not include a report of loss by the insured or any subsequent inquiries or inspection of loss if:

a. no payment if made,

b. the report of loss is withdrawn by the insured, or

c. coverage is denied by the insurer, and

2. "Inquiry" means a request for information regarding the terms, conditions, or coverages offered under a property and casualty insurance policy that does not result in a claim.

SECTION 18. This act shall become effective November 1, 2026.

COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY AND PUBLIC SAFETY OVERSIGHT, dated 02/26/2026 - DO PASS, As Amended.