

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

SENATE BILL 2019

By: Logan

AS INTRODUCED

An Act relating to insurance guaranty fund; creating the Political Subdivision Liability Insurance Guaranty Program; providing purpose; creating the Political Subdivision Insurance Fund Board to administer program; prescribing membership, terms, and appointment procedures; prescribing duties and powers; creating the Political Subdivision Liability Insurance Guaranty Fund; providing purpose; providing for expenditures from fund; requiring interest earned to be retained in the fund; 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 85.59a of Title 74, unless there is created a duplication in numbering, reads as follows:

A. There is hereby created the Political Subdivision Liability Insurance Guaranty Program for the purpose of insuring against excessive liability judgments against political subdivisions.

B. The program shall be administered, supervised, and protected by the Political Subdivision Insurance Fund Board. The Board shall consist of seven (7) members to be appointed as follows:

1        1. The Governor shall appoint three members, one of whom shall  
2 be a member of a governing body of a political subdivision;

3        2. The President Pro Tempore of the Senate shall appoint two  
4 members, one of whom shall be a member of a governing body of a  
5 political subdivision; and

6        3. The Speaker of the House of Representatives shall appoint  
7 two members, one of whom shall be a member of a governing body of a  
8 political subdivision.

9        C. In the event of a vacancy, the appointing authority for the  
10 position shall appoint a qualified successor to serve as the  
11 appointee for the unexpired term of the member so replaced. The  
12 term of office for the appointees shall be as follows:

13        1. The term of office for four positions, two appointed by the  
14 Governor, and one each appointed by the President Pro Tempore of the  
15 Senate and Speaker of the House of Representatives, shall expire on  
16 November 1, 2029;

17        2. The term of office for three positions, one each appointed  
18 by the Governor, President Pro Tempore of the Senate, and Speaker of  
19 the House of Representatives, shall expire on November 1, 2028; and

20        3. Thereafter, successor members shall be appointed for a  
21 three-year term. Members may serve successive terms. Any person  
22 appointed to fill a vacancy shall be appointed for the unexpired  
23 portion of the term in the same manner as the original appointment.  
24

1 D. Meetings of the Board shall be held at least quarterly, with  
2 the first meeting to be held no later than March 31, 2027. The  
3 chair and vice chair of the Board shall be elected by the Board from  
4 among its members in the first meeting. The presence of a majority  
5 of the members constitutes a quorum. No action shall be taken by  
6 the Board without the affirmative vote of at least a majority of the  
7 members.

8 E. The Board shall be required to create the rules and  
9 guidelines for the voluntary Political Subdivision Liability  
10 Insurance Guaranty Program, including required contributions,  
11 qualifying claims, and procedures, as well as any other requirements  
12 to effectuate the provisions of this act.

13 F. The Board shall create required training programs for  
14 certain members of political subdivisions to mitigate the occurrence  
15 of judgments for which the program is created to insure against.

16 SECTION 2. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 85.59b of Title 74, unless there  
18 is created a duplication in numbering, reads as follows:

19 A. There is hereby created the Political Subdivision Liability  
20 Insurance Guaranty Fund, which shall be for the purpose of insuring  
21 participating political subdivisions against excessive liability  
22 judgments as provided by the Political Subdivision Insurance Fund  
23 Board. Monies in the fund, including interest, are not subject to  
24 appropriation and shall be expended to insure political subdivisions

1 pursuant to the Political Subdivision Liability Insurance Guaranty  
2 Program, operating costs of the Board, attorney fees, and other  
3 costs reasonably incurred by the Board in the performance of its  
4 duties.

5 B. Expenditures from the fund shall be made on warrants issued  
6 by the State Treasurer against claims as prescribed by law. The  
7 fund shall be subject to audit in the same manner as state funds and  
8 accounts, the cost for which shall be paid for from the fund.

9 SECTION 3. This act shall become effective November 1, 2026.

10  
11 60-2-3352 QD 1/15/2026 10:05:50 AM  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25