

FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB553 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Jeff Boatman _____

Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 FLOOR SUBSTITUTE
4 FOR ENGROSSED

5 SENATE BILL NO. 553

By: Thompson of the Senate

and

Fetgatter and McDugle of
the House

8
9 FLOOR SUBSTITUTE

10 An Act relating to insurance; defining terms;
11 requiring insurance policies to be construed to cover
12 business interruption during period of a declared
13 State of Emergency due to the COVID-19 pandemic;
14 indemnifying insureds for certain loss of business or
15 business interruption; providing for applicability;
16 providing for application by insurer for certain
17 relief and reimbursement by the Insurance
18 Commissioner; requiring the Commissioner to establish
19 procedures; authorizing the Commissioner to impose
20 upon, distribute among and collect from insurers
21 certain additional amounts; providing for
22 distribution; directing the Commissioner to adopt
23 rules; providing for codification; and declaring an
24 emergency.

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 1242 of Title 36, unless there
is created a duplication in numbering, reads as follows:

1 A. As used in this section:

2 1. "Business" means a corporation, association, partnership,
3 limited liability company, limited partnership or other legal
4 entity;

5 2. "Eligible employee" means a full-time employee who works a
6 normal workweek of twenty-five (25) or more hours;

7 3. "Insurance policy" means a policy, subscriber contract,
8 certificate or plan that:

9 a. is offered, issued or renewed by an insurer,

10 b. provides property and casualty insurance, and

11 c. does not exclusively provide for life insurance,
12 health insurance or both;

13 4. "Insurer" means an entity licensed or authorized to conduct
14 the business of insurance in the state; and

15 5. "Net written premiums received" means gross direct premiums
16 written, less return premiums thereon and dividends credited or paid
17 to policyholders, as reported on the company's annual financial
18 statement.

19 B. Notwithstanding any other law, rule or regulation, an
20 insurance policy that insures against loss or damage to property,
21 which includes the loss of use and occupancy and business
22 interruption, in force in this state on March 15, 2020, which is the
23 date of the declaration of a State of Emergency concerning the
24 COVID-19 pandemic, shall be construed to include among the covered

1 perils under the insurance policy, coverage for business
2 interruption during a period of a declared State of Emergency due to
3 the COVID-19 pandemic.

4 C. The coverage required by this section shall indemnify the
5 insured, subject to the limits under the policy, for any loss of
6 business or business interruption for the duration of the state of
7 emergency due to the COVID-19 pandemic.

8 D. This section shall only apply to an insurance policy that:

- 9 1. Is issued to a business located in this state;
- 10 2. Is issued to a business that employs one hundred or fewer
11 eligible employees; and
- 12 3. Is in force on the effective date of this section.

13 E. 1. An insurer that indemnifies an insured that has filed a
14 claim pursuant to this section may apply to the Insurance
15 Commissioner for relief and reimbursement by the Commissioner from
16 funds collected and made available for this purpose as provided in
17 subsection F of this section.

18 2. The Commissioner shall establish procedures for the
19 submission and qualification of claims by insurers that are eligible
20 for reimbursement. The Commissioner shall incorporate in these
21 procedures such standards as are necessary to protect against the
22 submission of fraudulent claims by insureds and appropriate
23 safeguards for insurers to employ in the review and payment of
24 claims.

1 F. 1. The Commissioner may impose upon, distribute among and
2 collect from insurers engaged in providing property and casualty
3 insurance in this state, whether or not the property and casualty
4 insurance specifically includes coverage for business interruptions,
5 additional amounts necessary to recover the amounts paid to insurers
6 under this section.

7 2. The additional amounts for special purpose apportionment
8 authorized under paragraph 1 of this subsection shall be distributed
9 in the proportion that the net written premiums received by each
10 insurer subject to the apportionment under this subsection for
11 insurance written or renewed on risks in this state, during the
12 calendar year immediately preceding, bears to the sum total of all
13 the net written premiums received by all insurers writing that
14 property and casualty insurance within this state during that same
15 calendar year, as reported.

16 G. The Commissioner shall adopt rules to implement this
17 section.

18 SECTION 2. It being immediately necessary for the preservation
19 of the public peace, health or safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

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23 57-2-11736 SH 05/12/20
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