

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

HOUSE BILL 1085

By: Tedford

AS INTRODUCED

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. 2024, Section 141.14), which relates to the Service Warranty Act; modifying administrative fee amount; providing exclusion of certain fee; conforming language; and providing an effective date.

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. 2024, 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

1 during the preceding calendar year and other relevant financial
2 information as deemed necessary by the Commissioner. The financial
3 statements required by this subsection must be:

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

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

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

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

22 D. Provider fees and assessments received by associations and
23 insurers for service warranties shall not be subject to the premium
24 tax provided in Section 624 of Title 36 of the Oklahoma Statutes,

1 but shall be subject to an administrative fee of equal to two
2 percent (2%) of the gross provider fee received on the sale of all
3 service warranties issued in this state during the preceding
4 calendar quarter. The fees shall be paid quarterly to the Insurance
5 Commissioner. However, licensed associations, licensed insurers and
6 entities with applications for licensure as a service warranty
7 association pending with the Insurance Department that have
8 contractual liability insurance in place as of March 31, 2009, from
9 an insurer which satisfies the requirements of subsections B and C
10 of Section 141.6 of this title and which covers one hundred percent
11 (100%) of the claims exposure of the association or insurer on all
12 contracts written may elect to shall pay an annual administrative
13 fee of Three Thousand Dollars (\$3,000.00) in lieu of the two-percent
14 administrative fee Three Thousand Seven Hundred Dollars (\$3,700.00).
15 The administrative fee set forth in this section shall not be
16 subject to subsection C of Section 307.3 of Title 36 of the Oklahoma
17 Statutes.

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