

# An Act

ENROLLED HOUSE  
BILL NO. 2406

By: Grau of the House

and

Brooks of the Senate

An Act relating to insurance; amending 36 O.S. 2011, Section 2006, which relates to the Oklahoma Property and Casualty Insurance Guaranty Association Act; changing entities directed to appoint certain board members at the expiration of certain terms; and providing an effective date.

SUBJECT: Oklahoma Property and Casualty Insurance Guaranty Association Act

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 2006, is amended to read as follows:

Section 2006. A. The business and functions of the Oklahoma Property and Casualty Insurance Guaranty Association shall be managed and administered by a board of twelve (12) directors composed of two members selected by the American Insurance Association who are member insurers; at the expiration of the terms of the members selected by the Alliance of American Insurers who are serving on November 1, 2014, two members selected by the Alliance of American Property and Casualty Insurers Association of America who are member insurers; at the expiration of the terms of the members selected by the National Association of Independent Insurers who are serving on November 1, 2014, two members selected by the National Association of Independent Insurers Mutual Insurance Companies who are member insurers; two Oklahoma domestic insurers who are member insurers; two nonaffiliated foreign or alien insurers who are member insurers; two insurance agents who shall serve as ex officio members

on the board. One of the ex officio members shall be the Executive Director of the Independent Insurance Agents of Oklahoma, Inc.; the other ex officio member shall be a licensed, resident property and casualty insurance agent chosen by the Governor. Each member of the board of directors shall designate a full-time salaried employee to represent it on the board of directors. Each member except for the ex officio members shall serve for a term of two (2) years. The ex officio member who is appointed by the Governor shall serve at the pleasure of the Governor. The members of the board of directors except for the ex officio members shall be subject to approval by the Commissioner. Vacancies on the board except for the ex officio members shall be filled for the remaining period of the term by a majority vote of the remaining board members, subject to the approval of the Commissioner. If no members are selected and appointed within sixty (60) days after the effective date of this act, the Commissioner may appoint the initial members of the board of directors.

B. In approving selections to the board, the Commissioner shall consider, among other things, whether all member insurers are fairly represented.

C. Members of the board shall serve without compensation but may be reimbursed from the assets of the Association for expenses incurred by them as members of the board of directors.

SECTION 2. This act shall become effective November 1, 2014.

Passed the House of Representatives the 5th day of March, 2014.

Jan Newell  
Presiding Officer of the House  
of Representatives

Passed the Senate the 14th day of April, 2014.

Anthony Sykes  
Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 15<sup>th</sup>

day of April, 20 14, at 2:30 o'clock P M.

By: Audrey Kerkwell

Approved by the Governor of the State of Oklahoma this 21<sup>st</sup>

day of April, 20 14, at 2:32 o'clock P M.

Mary Fallin  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 21<sup>st</sup>

day of April, 20 14, at 5:40 o'clock P M.

By: Chi Benze