

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

SENATE BILL 195

By: Hicks

AS INTRODUCED

An Act relating to motor vehicle liability policies; amending 47 O.S. 2021, Section 7-324, which relates to policy contents and coverages; increasing minimum amount of insurance to be held for injury to or destruction of property of others; making language gender neutral; updating statutory language; and providing an effective date.

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

SECTION 1. AMENDATORY 47 O.S. 2021, Section 7-324, is amended to read as follows:

Section 7-324. (a) Certification. A "motor vehicle liability policy" as the term is used in this article shall mean an "owner's policy" or an "operator's policy" of liability insurance, certified as provided in Section 7-321 or Section 7-322 of this title as proof of financial responsibility, and issued, except as otherwise provided in Section 7-322 of this title, by an insurance carrier duly authorized to transact business in this state, to or for the benefit of the person named therein as insured.

(b) Owner's policy. Such owner's policy of liability insurance:

1           1. Shall designate by explicit description or by appropriate  
2 reference all vehicles with respect to which coverage is thereby to  
3 be granted; ~~and~~

4           2. Shall insure the person named therein and any other person  
5 except as herein provided, as insured, using ~~any such~~ the vehicle or  
6 vehicles with the express or implied permission of ~~such~~ the named  
7 insured, against loss from the liability imposed by law for damages  
8 arising out of the ownership, maintenance or use of ~~such~~ the vehicle  
9 or vehicles within the United States of America or the Dominion of  
10 Canada, subject to limits exclusive of interest and costs, with  
11 respect to each such vehicle, as follows: Twenty-five Thousand  
12 Dollars (\$25,000.00) because of bodily injury to or death of one  
13 person in any one accident and, subject to ~~said~~ the limit for one  
14 person, Fifty Thousand Dollars (\$50,000.00) because of bodily injury  
15 to or death of two or more persons in any one accident, and ~~Twenty-~~  
16 ~~five Thousand Dollars (\$25,000.00)~~ Forty Thousand Dollars  
17 (\$40,000.00) because of injury to or destruction of property of  
18 others in any one accident; and

19           3. May by agreement in a separate written endorsement between  
20 any named insured and the insurer exclude as insured any person or  
21 persons designated by name from coverage under the policy.

22           (c) Operator's policy. Such operator's policy of liability  
23 insurance shall insure the person named as insured therein against  
24 loss from the liability imposed upon ~~him~~ the person by law for

1 damages arising out of the use by ~~him~~ that person of any motor  
2 vehicle not owned by him or her, within the same territorial limits  
3 and subject to the same limits of liability as are set forth above  
4 with respect to an owner's policy of liability insurance.

5 (d) Required statements in policies. Such motor vehicle  
6 liability policy shall state the name and address of the named  
7 insured, the coverage afforded by the policy, the premium charged  
8 therefor, the policy period and the limits of liability, and shall  
9 contain an agreement or be endorsed that insurance is provided  
10 thereunder in accordance with the coverage defined in this chapter  
11 as respects bodily injury and death or property damage, or both, and  
12 is subject to all the provisions of this title.

13 (e) Policy need not insure workmen's compensation. Such motor  
14 vehicle liability policy need not insure any liability under any  
15 ~~workmen's~~ workers' compensation law nor any liability on account of  
16 bodily injury to or death of an employee of the insured while  
17 engaged in the employment, other than domestic, of the insured, or  
18 while engaged in the operation, maintenance or repair of any such  
19 vehicle nor any liability for damage to property owned by, rented  
20 to, in charge of or transported by the insured.

21 (f) Provisions incorporated in policy. Every motor vehicle  
22 liability policy shall be subject to the following provisions which  
23 need not be contained therein:  
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1           1. The liability of the insurance carrier with respect to the  
2 insurance required by this title shall become absolute whenever  
3 injury or damage covered by ~~said~~ such motor vehicle liability policy  
4 occurs; ~~said~~ such policy may not be canceled or annulled as to such  
5 liability by any agreement between the insurance carrier and the  
6 insured after the occurrence of the injury or damage; no statement  
7 made by the insured or on his behalf and no violation of ~~said~~ such  
8 policy shall defeat or void ~~said~~ the policy.

9           2. The satisfaction by the insured of a judgment for such  
10 injury or damage shall not be a condition precedent to the right or  
11 duty of the insurance carrier to make payment on account of such  
12 injury or damage.

13           3. The insurance carrier shall have the right to settle any  
14 claim covered by the policy, and if such settlement is made in good  
15 faith, the amount thereof shall be deductible from the limits of  
16 liability specified in paragraph 2 of subsection (b) of this  
17 section.

18           4. The policy, the written application therefor, if any, and  
19 any rider or endorsement which does not conflict with the provisions  
20 of this title shall constitute the entire contract between the  
21 parties.

22           (g) Excess or additional coverage. Any policy which grants the  
23 coverage required for a motor vehicle liability policy may also  
24 grant any lawful coverage in excess of or in addition to the

1 coverage specified for a motor vehicle liability policy and such  
2 excess or additional coverage shall not be subject to the provisions  
3 of this title. With respect to a policy which grants such excess or  
4 additional coverage, the term "motor vehicle liability policy" shall  
5 apply only to that part of the coverage which is required by this  
6 section.

7 (h) Reimbursement provision permitted. Any motor vehicle  
8 liability policy may provide that the insured shall reimburse the  
9 insurance carrier for any payment the insurance carrier would not  
10 have been obligated to make under the terms of the policy except for  
11 the provisions of this title.

12 (i) Proration of insurance permitted. Any motor vehicle  
13 liability policy may provide for the prorating of the insurance  
14 thereunder with other valid and collectible insurance.

15 (j) Multiple policies. The requirements for a motor vehicle  
16 liability policy may be fulfilled by the policies of one or more  
17 insurance carriers which policies together meet such requirements.

18 (k) Binders. Any binder issued pending the issuance of a motor  
19 vehicle liability policy shall be deemed to fulfill the requirements  
20 for such a policy.

21 SECTION 2. This act shall become effective November 1, 2023.

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23 59-1-1229 RD 1/9/2023 11:01:44 AM  
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