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INSURANCE COMMISSIONER
OKLAHOMA

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

IN RE: HEARING PURSUANT TO 36 O.S. § 984 AS TO WHETHER THE OKLAHOMA HOMEOWNERS INSURANCE MARKET IS NONCOMPETITIVE	**CASE NO. 26-0820-TRN**

OMNIBUS PRE-HEARING MOTION OF THE OKLAHOMA ATTORNEY GENERAL

COMES NOW the State of Oklahoma, ex rel. Gentner Drummond, Attorney General of the State of Oklahoma (the "Attorney General"), a party to this proceeding pursuant to 74 O.S. § 18b(22) and the Notice of Hearing filed herein on July 14, 2026, and respectfully submits this Omnibus Pre-Hearing Motion. The Attorney General advocates the position that the Oklahoma homeowners insurance market is noncompetitive and, under 36 O.S. § 984(A), bears the burden of proof on that issue.

This Omnibus Motion presents eleven related requests for pre-hearing relief. Each is addressed to the procedural and timing parameters this Court identified in its Order entered July 28, 2026, and filed July 29, 2026, as the subject matter of the August 27, 2026, pre-hearing conference. The Attorney General submits them together, in a single filing, to conserve the resources of the Court and the parties and to permit the Court to resolve them in one written pre-hearing order. In support of this Motion, the Attorney General states as follows.

I. BACKGROUND AND PROCEDURAL POSTURE

1. On July 14, 2026, the Insurance Commissioner ("Commissioner") issued a Notice of Hearing pursuant to 36 O.S. §§ 307 and 984 and OAC 365:1-7-1(a), setting this matter for hearing before an independent hearing examiner on **Monday, September 14, 2026, at 9:00 a.m.**, at the

Oklahoma State Capitol, Multi-Purpose Room 100, 2300 N. Lincoln Blvd., Oklahoma City, Oklahoma 73105.

2. The Notice of Hearing was served by certified mail upon the Attorney General and upon more than one hundred (100) property and casualty insurers writing homeowners insurance business in Oklahoma. The Notice expressly invites "all interested parties with a direct, immediate, and substantial interest" in the determination — "including all property and casualty insurers writing homeowners insurance business in Oklahoma and the Oklahoma Attorney General pursuant to 74 O.S. § 18b(22)" — "to participate in the public hearing and offer evidence and argument on the issues involved."

3. On July 28, 2026, the Honorable John D. Miller, Independent Hearing Examiner, entered an Order, filed July 29, 2026, granting the Commissioner's Motion for Pre-Hearing Conference and Deadline to File Entry of Appearances. That Order sets a pre-hearing conference for **August 27, 2026, at 9:30 a.m., via Microsoft Teams**, and identifies as subjects for determination at that conference:

a. deadlines for exchanging witness and exhibit lists and pre-marked exhibits, together with a standardized exhibit numbering system;

b. procedures for identifying and organizing common and insurer-specific issues, including the potential grouping of insurers to minimize duplicate presentations;

c. reasonable time limits for opening statements, direct and cross-examinations, and closing arguments, with the ability to allocate additional time upon a showing of good cause;

d. stipulation procedures to narrow issues of fact and law, including deadlines for proposed joint stipulations; and

e. any additional procedures the independent Hearing Examiner deems necessary to ensure an efficient, orderly, and fair hearing, consistent with 36 O.S. § 984.

4. That Order further set **August 26, 2026, at 5:00 p.m.**, as the deadline for filing entries of appearance.

5. Each request presented below falls squarely within the categories the Court has already designated for resolution at the August 27, 2026, conference, or within the Court's authority under paragraph 5 of the Order to adopt "any additional procedures . . . necessary to ensure an efficient, orderly, and fair hearing, consistent with 36 O.S. § 984."

II. GOVERNING LEGAL FRAMEWORK

6. **The Insurance Code.** Under 36 O.S. § 984(A), "[a] competitive market is presumed to exist for a line of insurance unless the Commissioner, after a hearing, issues an order stating that a reasonable degree of competition does not exist in the market," and "[t]he burden of proof in any hearing shall be placed on the party or parties advocating the position that competition does not exist." Section 984(B)(1) enumerates the six statutory factors governing the determination, and § 984(B)(2) requires that "[a]ll determinations by the Commissioner shall be made on the basis of findings of fact and conclusions of law."

7. **The Administrative Procedures Act applies.** Title 36 O.S. § 313(B) provides that "[i]n the exercise of the powers and the performance of the duties enumerated in this title, the Commissioner shall comply with the procedures of the Administrative Procedures Act." This is a

contested "individual proceeding" governed by Article II of the Oklahoma Administrative Procedures Act ("OAPA"), 75 O.S. §§ 308a *et seq.*

8. **The Hearing Examiner's order is final agency action.** Under 36 O.S. § 313(A), "[a] final order signed by an independent hearing examiner, after hearing, shall be final agency action, notwithstanding the provisions of Section 311 of Title 75 of the Oklahoma Statutes." Judicial review is available under 36 O.S. § 320 and the OAPA, and venue lies in the District Court of Oklahoma County.

9. **Review is confined to the record.** Under 75 O.S. § 321, "[t]he review shall be conducted by the court without a jury and shall be confined to the record, except that in cases of alleged irregularities in procedure before the agency, not shown in the record, testimony thereon may be taken in the court." *Accord Stipe v. State ex rel. Bd. of Trs. of Okla. Pub. Emps. Ret. Sys.*, 2008 OK 52, ¶ 6, 188 P.3d 120, 122 (judicial review of administrative final orders under the OAPA is limited to the record presented at the agency hearing); *Pharmcare Okla., Inc. v. State Health Care Auth.*, 2007 OK CIV APP 5, ¶ 10, 152 P.3d 267, 269 (review "confined to the record made before the administrative tribunal"); *Leo v. Okla. Water Res. Bd.*, 2023 OK 96, ¶ 42, 536 P.3d 939, 953. Under 36 O.S. § 320(A), the Commissioner "shall thereupon certify and file in such court a transcript of the record of such hearing and a copy of the order appealed from."

10. **Due process.** Oklahoma Constitution Article II, § 7 guarantees that no person shall be deprived of life, liberty, or property without due process of law. Before any deprivation may occur, "a fundamental requirement of due process must be satisfied: the opportunity to be heard in a meaningful time and in a meaningful manner." *Flandermeyer v. Bonner*, 2006 OK 87, ¶ 10, 152 P.3d 195, 198–99. "[D]ue process requires notice and a meaningful opportunity to appear and be heard," and "[t]he right to a full hearing includes a reasonable opportunity to know the claims of

the opposing party and to meet them." *Maxwell v. Sprint PCS*, 2016 OK 41, ¶ 19, 369 P.3d 1079, 1090 (quoting *Wolfenbarger v. Hennessee*, 1974 OK 38, ¶ 15, 520 P.2d 809, 812). Administrative adjudication must "be preceded by notice calculated to provide knowledge of the exercise of adjudicative power and an opportunity to be heard." *Purcell v. Parker*, 2020 OK 83, ¶ 19, 475 P.3d 834, 842; *DuLaney v. Okla. State Dep't of Health*, 1993 OK 113, ¶ 9, 868 P.2d 676, 680.

11. The relief requested below is directed at a single objective: ensuring that this proceeding produces a complete, certified, reviewable record and that the party bearing the statutory burden of proof has a meaningful — not merely nominal — opportunity to carry it.

III. MOTIONS

MOTION 1 — MOTION TO PERMIT EXPERT WITNESSES TO APPEAR AND TESTIFY REMOTELY

12. The Attorney General moves for an order authorizing his expert witnesses to appear and testify remotely, by videoconference or other available electronic means, at the September 14, 2026 hearing.

13. **Express regulatory authority.** OAC 365:1-7-1(c) provides that "[a]ppearances by parties of record and testimony by witnesses may be offered remotely, via telephone or other available electronic means, at a hearing," including, under subsection (c)(3), "[u]pon request of a party of record, made in writing at least five (5) business days prior to the scheduled date of the hearing, and a determination by the Commissioner or hearing examiner that: (A) Requestor has shown good cause for the request, and (B) An in-person hearing is not necessary for the effective and efficient presentation of evidence or argument."

14. **This request is timely.** The hearing is set for September 14, 2026. This Motion is filed well in advance of the five-business-day deadline imposed by OAC 365:1-7-1(c)(3), and is presented at the pre-hearing conference the Court itself convened for the resolution of such matters.

15. **Good cause exists.** The Attorney General anticipates offering expert testimony from **J. Robert ("Bob") Hunter**, former Insurance Commissioner of the State of Texas and Director of Insurance for the Consumer Federation of America, and from additional expert witnesses to be identified in the Attorney General's witness list. Each of these witnesses resides outside the State of Oklahoma. Mr. Hunter, in particular, is advanced in years and has physical limitations that make travel to Oklahoma City burdensome and potentially prohibitive. Requiring any of these witnesses to travel to Oklahoma City or forfeit their testimony would, as a practical matter, deprive the Attorney General of evidence bearing directly on the six statutory factors enumerated in 36 O.S. § 984(B)(1) — the very questions this proceeding exists to answer.

16. **An in-person appearance is not necessary to the effective and efficient presentation of this evidence.** Expert testimony on market concentration, barriers to entry, long-term profitability, and the relationship of insurer costs to revenue is documentary and analytical in character. It is presented through exhibits, data, and explanation. Remote videoconference testimony permits full direct examination, full cross-examination, real-time display of exhibits, and full observation of the witness by the Court and by opposing parties. Indeed, OAC 365:1-7-1(d) expressly contemplates this, providing that "[a]ny pleading, other document, or exhibit used in a proceeding conducted by telephone or videoconference may be transmitted between the Department's location and any remote site by electronic means," with electronically transmitted signatures having "the same force and effect as an original signature."

17. **The Oklahoma Insurance Department (“Department”) has already demonstrated its capacity to conduct these proceedings remotely.** This Court's own Order sets the pre-hearing conference to be conducted via Microsoft Teams. The technological capability is in place and is already being used in this very case.

18. **Remote testimony raises no due process concern for any opposing party.** Oklahoma authority rejects the premise that physical co-presence is what due process protects. In *Bell v. Great Lakes Container Corp.*, 1985 OK CIV APP 23, ¶ 12, 702 P.2d 387, 390–91, the Court of Civil Appeals observed that "neither due process of law nor the concept of a full and fair hearing require that the actual taking of testimony be before the same officers as are to determine the matters involved," and that "[t]he fact that the deciding authority is not present when the evidence is presented does not violate due process if the authority considers and acts on the evidence received in the administrative process." *Bell* did not address a judge deciding on remote testimony, as we have in this case, but rather on a cold record. Therefore, the Attorney General cites it as persuasive reasoning rather than as controlling authority on this point. But the reasoning applies a fortiori here: if due process tolerates a decision-maker who was wholly absent when the evidence was taken, it should comfortably tolerate a witness who appears by live video while the Hearing Examiner, all parties, and all counsel observe and examine him in real time. Conversely, denial of the request would curtail the Attorney General's opportunity to be heard "in a meaningful time and in a meaningful manner," *Flandermeyer*, 2006 OK 87, ¶ 10, 152 P.3d at 198–99, by excluding his principal expert evidence.

WHEREFORE, the Attorney General requests an order finding good cause under OAC 365:1-7-1(c)(3) and authorizing his expert witnesses, including J. Robert Hunter, to appear and testify remotely by videoconference at the September 14, 2026 hearing, with a reciprocal accommodation available to any other party of record on the same terms.

MOTION 2 — MOTION FOR A VIRTUAL ATTENDANCE OPTION FOR THE PUBLIC

19. The Attorney General moves for an order directing that the September 14, 2026, hearing be conducted in a hybrid format, with a publicly accessible livestream or videoconference link permitting members of the public to observe the proceeding remotely, in addition to attending in person.

20. **This is a public hearing by the Commissioner's own designation.** The Notice of Hearing describes the proceeding as a "public hearing" and invites "all interested parties with a direct, immediate, and substantial interest" to "participate . . . and offer evidence and argument on the issues involved."

21. **The subject matter is of direct and substantial public consequence.** As the chief legal officer of the state, the Attorney General appears in this matter pursuant to an express statutory duty to represent and protect the collective interest of insurance consumers. The question presented is whether the market in which every Oklahoma homeowner purchases insurance on the family residence is competitive. The outcome determines whether insurers must file rates thirty days *before* the effective date under 36 O.S. § 987, and whether rates may be found excessive at all. *See* 36 O.S. §§ 985(A)(1), 985.1. Few administrative determinations touch a broader cross-section of Oklahoma citizens. Absent accessible livestream or videoconference, aggrieved members of the public who the Attorney General appears on behalf of are deprived of a meaningful opportunity to observe.

22. **Oklahoma public policy favors public visibility of adjudication.** In *State ex rel. Okla. State Bd. of Med. Licensure & Supervision v. Rivero*, 2021 OK 31, ¶ 76, 489 P.3d 36, 63, the Oklahoma Supreme Court described "a public policy set by our Legislature that the exercise of judicial power should be within the public view unless confidentiality is required by law, or a compelling privacy interest outweighs the public's interest," and recognized "a strong public policy allowing access to public records which includes records used by courts to adjudicate legal controversies." *Rivero* arose from a protective order sealing portions of an administrative record rather than from a question of public attendance, and the Attorney General cites it for the public-visibility policy it articulates. That policy is fully engaged where an agency exercises quasi-judicial power to decide a question affecting every homeowner in the State, and no confidentiality interest of any kind has been asserted here.

23. **Practical necessity.** The Notice was served on more than one hundred insurers, each of which may appear with counsel, corporate representatives, and witnesses. When that number is added to counsel for the Department, counsel for the Attorney General, witnesses, and members of the press and public, the seating capacity of Multi-Purpose Room 100 becomes a real constraint. A remote viewing option is the least burdensome means of ensuring that physical capacity does not become a de facto limit on public access to a proceeding the Commissioner has designated as public.

24. **No burden, and no new capability required.** The Department is already conducting the August 27, 2026, pre-hearing conference by Microsoft Teams. The Oklahoma State Capitol is equipped for the broadcast of proceedings held in its meeting rooms. The Attorney General requests only that the existing capability be extended to this hearing and is prepared to confer with the Department regarding logistics.

25. The Attorney General emphasizes that this request is for **observation only**. It does not seek to permit remote members of the public to offer evidence, argument, or comment, and it is not a request to expand the universe of parties beyond those who file timely entries of appearance.

WHEREFORE, the Attorney General requests an order directing that the September 14, 2026, hearing be livestreamed or made available by videoconference for public observation, with the access link published on the Department's website not later than five (5) business days before the hearing.

MOTION 3 — MOTION FOR ADVANCE DISCLOSURE OF ALL MATERIALS THE COMMISSIONER OR HEARING EXAMINER INTENDS TO NOTICE OR CONSIDER

26. The Attorney General moves for an order requiring the Commissioner and the Department to disclose, not later than **September 4, 2026** (ten days before the hearing), all staff memoranda, market analyses, rate filing data, actuarial reports, consultant reports, statistical compilations, and other materials that the Commissioner, the Department, or the Hearing Examiner intends to officially notice, rely upon, or submit for consideration in this proceeding.

27. **This request rests on an express statutory mandate.** Title 75 O.S. § 310(4) provides:

> Notice may be taken of judicially cognizable facts. In addition, notice may be taken of generally recognized technical or scientific facts within the agency's specialized knowledge. **Parties shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material noticed, including any staff memoranda or data, and they shall be afforded an opportunity to contest the material so noticed.**

28. The Oklahoma Supreme Court quoted this provision in *Arbuckle Simpson Aquifer Protection Federation of Oklahoma, Inc. v. Oklahoma Water Resources Board*, 2013 OK 29, ¶ 8, 343 P.3d 1266, 1270, and the principle animating that decision governs here. *Arbuckle Simpson*

concerned undisclosed communications reaching a hearing officer through the agency conducting the proceeding. The Court held that allowing the agency "to [act] as a conduit for favorable witnesses to present further unchallenged testimony to the hearing officer without notice to the other parties allows one to question the hearing officer's impartiality," and that "[t]he goal of the proceedings should be to ensure that all parties receive a fair hearing from a neutral hearing officer, avoiding even the appearance of impropriety." *Id.* ¶ 13, 343 P.3d at 1271. The Court issued a writ of mandamus compelling the hearing officer to notify all parties of the communications, to disclose their contents, and to incorporate them and any responses into the record. *Id.* ¶ 17, 343 P.3d at 1272. The same structural risk is present whenever material reaches the decision-maker from one quarter without notice to the others.

29. **The record must reflect what was noticed.** Under 75 O.S. § 309(F)(3), the record of an individual proceeding "shall include . . . [a] statement of matters officially noticed." OAC 365:1-7-5(b)(2) imposes the identical requirement in Insurance Department proceedings: the record shall include "[a]ll evidence received or considered including a statement of matters officially noted."

30. **Reliance is conditioned on prior access.** Under 75 O.S. § 309(F)(7), the record includes "[a]ll other evidence or data submitted to the hearing examiner or administrative head in connection with their consideration of the case **provided all parties have had access to such evidence**." The Oklahoma Supreme Court set out § 309(F) in full, including this proviso, in *State ex rel. Okla. State Bd. of Med. Licensure & Supervision v. Rivero*, 2021 OK 31, ¶ 67, 489 P.3d 36, 60–61, holding that the enumerated categories define what the administrative record must contain. Material that has not been made accessible to all parties does not qualify under § 309(F)(7), and therefore cannot lawfully support the findings in the final order.

31. **Findings must rest exclusively on disclosed evidence and properly noticed matters.** Title 75 O.S. § 309(H) requires that "[f]indings of fact shall be based exclusively on the evidence received and on matters officially noticed in the individual proceeding." OAC 365:1-7-6 is to the same effect: "All findings of fact shall be based exclusively on the evidence presented and on matters officially noticed."

32. **This concern is concrete, not hypothetical.** The Commissioner is simultaneously the convening authority for this hearing and the custodian of the rate filings, market share data, financial statements, and market conduct information that bear directly on all six statutory factors under 36 O.S. § 984(B)(1). The Department "may utilize existing relevant information, analytical systems and other sources" in monitoring competition. 36 O.S. § 984(C). Whatever the Department has generated or compiled on this subject is precisely the material most likely to be noticed — and precisely the material the Attorney General must see in advance if he is to have "a reasonable opportunity to know the claims of the opposing party and to meet them." *Maxwell*, 2016 OK 41, ¶ 19, 369 P.3d at 1090.

33. **Failure to disclose is a due process violation.** "[F]ailure to provide notice of the specific issues in administrative hearings violates procedural due process." *In re Income Tax Protest of Grasso*, 2011 OK CIV APP 37, ¶ 10, 249 P.3d 1258, 1262 (quoting *Jackson v. Indep. Sch. Dist. No. 16 of Payne Cnty.*, 1982 OK 74, ¶ 10, 648 P.2d 26, 30, for the proposition that "procedural due process of law contemplates a fair and open hearing . . . with . . . information concerning the claims of the opposing party with reasonable opportunity to controvert them")).

WHEREFORE, the Attorney General requests an order that:

(a) requires the Commissioner and the Department to file and serve, not later than September 4, 2026, a written designation identifying every staff memorandum, data compilation, market analysis, actuarial or consultant report, and other material they intend to officially notice or submit for the Hearing Examiner's consideration, together with copies of each such item;

(b) provides that any such material not so designated and produced may not be officially noticed or relied upon in the final order absent a showing of good cause and an opportunity for the parties to contest it;

(c) affords all parties a reasonable opportunity to contest any material so noticed, including by written objection and by evidence and argument at the hearing; and

(d) requires that all such material be docketed as part of the official record under 75 O.S. § 309(F) and OAC 365:1-7-5(b).

MOTION 4 — MOTION FOR A COURT REPORTER AND A FULL STENOGRAPHIC RECORD

34. The Attorney General moves for an order directing that a full stenographic record of the September 14, 2026, hearing — and of the August 27, 2026, pre-hearing conference — be made by a competent court reporter.

35. **Express regulatory authority.** OAC 365:1-7-5(a) provides that "[u]pon written request reasonably made by a person affected by the hearing, and at such person's expense, a full stenographic record of the proceedings shall be made by a competent court reporter." **This Motion constitutes that written request.** The rule further provides that "[w]hen such transcription shall be made a part of the record of the Insurance Commissioner, any other person having a direct interest therein shall be furnished with a copy of such stenographic record at his expense."

36. **Independent statutory authority.** Title 75 O.S. § 309(G) provides that "[p]arties to any proceeding may have the proceedings transcribed by a court reporter at their own expense." The Oklahoma Supreme Court relied on § 309(G) in *State ex rel. Okla. State Bd. of Med. Licensure & Supervision v. Rivero*, 2021 OK 31, ¶ 24, 489 P.3d 36, 45, where it reviewed the printed hearing transcript "as an aid for the Court's exercise of appellate review as authorized by 75 O.S. 2011 § 309(G)" — a concrete illustration of the role a transcript plays on review. Section 309(G) separately requires that "[o]ral proceedings shall be electronically recorded" and that "[s]uch recordings shall be maintained for such time so as to protect the record through judicial review." The Attorney General requests a stenographic record **in addition to**, not in lieu of, the electronic recording the statute independently mandates.

37. **The record is what makes procedural error reviewable.** The narrow exception permitting a reviewing court to look beyond the administrative record is confined to "alleged irregularities in procedure before the agency, **not shown in the record**," as to which "testimony thereon may be taken in the court." 75 O.S. § 321; *Leo v. Okla. Water Res. Bd.*, 2023 OK 96, ¶ 42, 536 P.3d 939, 953. In *Baggett v. Webb*, 1976 OK 176, ¶¶ 14–16, 557 P.2d 433, 435, the Supreme Court applied that provision to reverse where the district court had refused to permit the appellant to introduce testimony supporting his allegations of irregularities in the administrative hearing. *Baggett* thus illustrates the two paths available to a party complaining of procedural error: the irregularity is shown in the record, or it must be proved by extrinsic testimony in a collateral evidentiary contest. A certified stenographic transcript makes the first path available and renders the second unnecessary, and it preserves the substantive evidence in reviewable form under 36 O.S. § 320.

38. **This proceeding warrants a certified transcript.** The hearing will involve expert economic and actuarial testimony, numerous exhibits, evidentiary objections, and potentially rulings excluding evidence. It may involve more than one hundred participating parties. A stenographic record produced by a certified court reporter, capable of accurate designation of speakers and of exhibit references, is materially more reliable for these purposes than an audio recording alone.

39. The Attorney General is prepared to bear the cost of the court reporter and transcript as OAC 365:1-7-5(a) and 75 O.S. § 309(G) contemplate, and to make copies available to other interested parties at their expense as the rule provides. Should the Court prefer that the reporter be retained by the Department with costs apportioned among the parties, the Attorney General does not object.

WHEREFORE, the Attorney General requests an order (a) granting this written request under OAC 365:1-7-5(a); (b) directing that a competent court reporter make a full stenographic record of the September 14, 2026, hearing and of the August 27, 2026, pre-hearing conference; (c) directing that the transcript be certified and made part of the official record of this proceeding; and (d) confirming that the electronic recording required by 75 O.S. § 309(G) will also be made and preserved.

MOTION 5 — MOTION FOR LEAVE TO FILE INDEPENDENT PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW

40. The Attorney General moves for leave to file independent proposed findings of fact and conclusions of law following the hearing, and for the establishment of a post-hearing briefing schedule.

41. **Findings and conclusions are statutorily required.** Under 36 O.S. § 984(B)(2), "[a]ll determinations by the Commissioner shall be made on the basis of findings of fact and conclusions of law." Section 984(A) further requires that "[a]ny ruling that a market is not competitive shall identify the factors causing the market not to be competitive." OAC 365:1-7-6 requires that "[a] final order adverse to a party in an individual proceeding shall include findings of fact and conclusions of law, separately stated," and that "[f]indings of fact, if set forth in statutory language, shall be accompanied by a concise and explicit statement of the underlying facts supporting the findings."

42. **A party's proposed findings must each be ruled upon.** Title 75 O.S. § 312 provides that "[i]f, in accordance with agency rules, a party submitted proposed findings of fact, the final agency order shall include a ruling upon each proposed finding." The Commissioner's rule supplies the corresponding agency procedure: OAC 365:1-7-6 provides that "**[i]f, upon request, a party submits proposed findings of fact, the order shall include a ruling upon each proposed finding.**" *See also* 75 O.S. § 309(F)(5) (record includes "[p]roposed findings and exceptions"); OAC 365:1-7-5(b)(4) (same). **This Motion is the "request" contemplated by OAC 365:1-7-6.** The Attorney General acknowledges that in *Oklahoma Department of Public Safety v. McCrady*, 2007 OK 39, ¶ 12, 176 P.3d 1194, 1201, the Supreme Court held that the § 312 requirement is satisfied "[w]here the findings cover all facts material and necessary to support [the] conclusion," and that an adjudicator's findings "need not follow any prescribed form." That is precisely why leave to submit proposed findings matters: the findings ultimately entered can only "cover all facts material and necessary" to the six statutory factors if the parties have first been permitted to identify, on the record, what those facts are.

43. **The requirement is one of substance.** The Oklahoma Supreme Court has held that the requirement of findings of fact and conclusions of law is "a matter of substance and not a mere technicality, and if the administrative agency fails to supply such findings its determination will not be sustained." *Allied Inv. Co. v. Okla. Sec. Comm'n*, 1969 OK 53, ¶ 0 (syllabus), 451 P.2d 952, 952; *accord Sw. Pub. Serv. Co. v. State*, 1981 OK 136, ¶ 30, 637 P.2d 92, 101 (quoting *Allied*).

44. **"Independent" filing matters here.** The Attorney General requests leave to file his *own* proposed findings and conclusions, separately from any joint or Department-prepared submission. Because the six factors of 36 O.S. § 984(B)(1) are multi-factor and evidence-intensive, and because the Attorney General bears the burden of proof, he must be able to frame proposed findings on each factor in the terms his evidence supports — and to obtain a ruling on each. A consolidated or Department-drafted submission would not preserve those specific factual contentions for review.

45. **Judicial review depends on it.** Under 75 O.S. § 322, a reviewing court may set aside agency findings that are unsupported by substantial evidence or affected by error of law. That review is only possible where the record shows what findings were proposed, and how each was resolved.

WHEREFORE, the Attorney General requests an order (a) granting leave to file independent proposed findings of fact and conclusions of law; (b) establishing a deadline of twenty (20) days after the court reporter's certified transcript is delivered to the parties for the simultaneous filing of proposed findings and conclusions by all parties, with optional responses ten (10) days thereafter; and (c) confirming, consistent with 75 O.S. § 312 and OAC 365:1-7-6, that the final order will include a ruling upon each proposed finding submitted.

MOTION 6 — MOTION TO FORMALLY DESIGNATE THE OFFICIAL RECORD AND TO REQUIRE TRANSMISSION OF A COMPLETE CERTIFIED RECORD ON REVIEW

46. The Attorney General moves for an order formally designating the components of the official record in this proceeding and directing that a complete, certified record be assembled and transmitted in the event of judicial review.

47. **The contents of the record are statutorily prescribed.** Title 75 O.S. § 309(F) provides that the record in an individual proceeding "shall include": (1) all pleadings, motions and intermediate rulings; (2) evidence received or considered; (3) a statement of matters officially noticed; (4) questions and offers of proof, objections, and rulings thereon; (5) proposed findings and exceptions; (6) any decision, opinion, or report by the officer presiding at the hearing; and (7) all other evidence or data submitted to the hearing examiner in connection with consideration of the case, provided all parties have had access to it. OAC 365:1-7-5(b) prescribes a parallel list for Insurance Department hearings.

48. **Transmission on review is mandatory.** Under 36 O.S. § 320(A), upon the filing of a petition for review the Commissioner "shall thereupon certify and file in such court a transcript of the record of such hearing and a copy of the order appealed from." Under 75 O.S. § 318, an aggrieved party is entitled to judicial review of a final agency order, and the agency must transmit the record or a certified copy.

49. **A deficient record is fatal.** Review is "confined to the record made before the administrative tribunal," *Pharmcare Okla.*, 2007 OK CIV APP 5, ¶ 10, 152 P.3d 267, 269, and is "limited to the record presented at the agency hearing," *Stipe*, 2008 OK 52, ¶ 6, 188 P.3d 120, 122. Whatever is omitted from the record is, for practical purposes, invisible to the reviewing court. The time to prevent that outcome is now, before the hearing, not after a final order issues.

50. This proceeding presents particular record-assembly risks: an unusually large number of noticed parties, a substantial volume of documentary and data exhibits, a pre-hearing conference conducted remotely, and a Department that is simultaneously the convening authority and the custodian of much of the relevant data. A clear, written designation of the record's components — entered before the hearing — eliminates ambiguity later.

WHEREFORE, the Attorney General requests an order that:

(a) formally designates the official record in this proceeding to consist of all items enumerated in 75 O.S. § 309(F) and OAC 365:1-7-5(b), together with the certified stenographic transcript and the electronic recording of the hearing;

(b) requires all pre-filed exhibits, motions, responses, and written rulings to be docketed, numbered, and maintained as part of the official record;

(c) requires that any staff memorandum, market analysis, data compilation, or other material received or reviewed by the Commissioner, the Department, or the Hearing Examiner in connection with this proceeding be made part of the record and accessible to all parties;

(d) requires that all rulings made at the August 27, 2026, pre-hearing conference be transcribed and reduced to a written order incorporated into the record; and

(e) directs that, in the event of a petition for judicial review under 36 O.S. § 320, the Department certify and transmit the complete record so designated, including all exhibits offered and refused, all offers of proof, and all objections and rulings.

MOTION 7 — MOTION TO PRE-FILE EXHIBITS AND TO ESTABLISH A PRE-HEARING EXHIBIT EXCHANGE PROCEDURE

51. The Attorney General moves for an order establishing a mandatory, reciprocal pre-filing and exchange procedure for all exhibits and witness lists. This request corresponds directly to paragraph 1 of the Court's Order.

52. **Statutory foundation.** Under 75 O.S. § 309(F)(2), the record must include all "[e]vidence received or considered at the individual proceeding," and under § 309(H), "[f]indings of fact shall be based exclusively on the evidence received and on matters officially noticed." Under 75 O.S. § 310(2), "[d]ocumentary evidence may be received in the form of copies or excerpts," and "[u]pon request, parties shall be given an opportunity to compare the copy with the original" — a right that is meaningful only if the copies are produced in advance.

53. **Advance access is required.** Section 309(F)(7) conditions the record status of evidence submitted to the hearing examiner on all parties "hav[ing] had access to such evidence." *Arbuckle Simpson*, 2013 OK 29, ¶¶ 13, 17, 343 P.3d 1266, 1271–72, reinforces the point structurally: information that reaches the decision-maker without notice to the opposing parties, and without an opportunity to respond, compromises the appearance of impartiality and must be disclosed and placed in the record.

54. **The evidence in this case is not suited to presentation on sight.** The six factors of 36 O.S. § 984(B)(1) turn on market share tables, concentration indices, entry and exit data, multi-year profitability comparisons against industries of comparable business risk, and cost-to-revenue ratios. Meaningful cross-examination of such material requires the opportunity to review the underlying data, check the calculations, and consult one's own experts. Presenting a concentration study for the first time from the witness stand would make the "reasonable opportunity to know

the claims of the opposing party and to meet them," *Maxwell*, 2016 OK 41, ¶ 19, 369 P.3d at 1090, illusory for every party in the room.

55. **The Attorney General seeks a reciprocal obligation and is prepared to comply first.** The Attorney General's market data, actuarial reports, and expert analyses are substantially prepared and he is prepared to pre-file them on the schedule requested.

56. **Preservation.** Pre-filing also protects the ability to object to late-disclosed evidence and to preserve those objections.

WHEREFORE, the Attorney General requests an order that:

(a) requires all parties to file and serve, not later than **September 4, 2026,** (ten days before the hearing), their witness lists (with a brief summary of each witness's expected testimony and, for expert witnesses, the substance of the opinions to be offered) and all exhibits they intend to offer;

(b) adopts a standardized exhibit numbering convention, with a distinct alphabetical or numerical prefix assigned to each party or party group, and requires all exhibits to be pre-marked accordingly;

(c) requires all pre-filed exhibits to be docketed into the official record upon filing, whether or not later admitted;

(d) establishes a deadline of **September 9, 2026,** for the filing of written objections to pre-filed exhibits, so that evidentiary disputes may be resolved efficiently at or before the outset of the hearing; and

(e) provides that exhibits not timely pre-filed may be offered only upon a showing of good cause, a showing of foundation and authenticity, and an opportunity for opposing parties to be heard.

MOTION 8 — MOTION TO ESTABLISH A FORMAL OFFER OF PROOF PROCEDURE FOR EXCLUDED EVIDENCE

57. The Attorney General moves for an order expressly authorizing formal offers of proof, on the record, as to any evidence, testimony, or exhibit excluded by the Hearing Examiner.

58. **Offers of proof are a prescribed component of the record.** Title 75 O.S. § 309(F)(4) provides that the record shall include "[q]uestions and offers of proof, objections, and rulings thereon." OAC 365:1-7-5(b)(3) is identical: the record shall include "[q]uestions or offers of proof, objections and rulings thereon." Title 75 O.S. § 310(1) likewise provides that "[o]bjections to evidentiary offers may be made and shall be noted in the record."

59. **Without an offer of proof, exclusion is unreviewable.** An exclusion ruling that is not accompanied by an offer of proof leaves the reviewing court with no way to assess whether the excluded evidence was material — and the record-confinement rule of 75 O.S. § 321 forecloses supplying it later.

60. **A pre-hearing order avoids a mid-hearing dispute.** The Attorney General does not anticipate that the Hearing Examiner would refuse an offer of proof. But the format and mechanics — whether an offer may be made by narrative summary, by written proffer, or by examination outside the presence of other witnesses; whether it is made contemporaneously or at a recess — are matters better settled in advance than litigated in the middle of a hearing with potentially more than one hundred parties present. Settling them now also ensures that the procedure itself does not become the subject of a procedural irregularity claim.

61. Given that the Attorney General bears the burden of proof under 36 O.S. § 984(A), the exclusion of any material item of his evidence is potentially outcome-determinative. Preserving such exclusions for review is essential.

WHEREFORE, the Attorney General requests an order that:

(a) expressly authorizes any party to make a formal offer of proof, on the record, as to any evidence, testimony, or exhibit excluded by the Hearing Examiner;

(b) permits offers of proof to be made by narrative summary of counsel, by written proffer filed within three (3) business days of the ruling, or by brief examination of the witness, at the offering party's election;

(c) directs that all offers of proof be transcribed in the court reporter's stenographic record and, together with any excluded exhibit, be docketed and maintained as part of the official record under 75 O.S. § 309(F)(4) and OAC 365:1-7-5(b)(3), whether or not admitted; and

(d) directs that any excluded exhibit be retained in the record, marked as offered and refused.

MOTION 9 — MOTION FOR EQUITABLE ALLOCATION OF HEARING TIME

62. The Attorney General moves for an order allocating hearing time equally between the two positions before the Court: fifty percent (50%) to the parties advocating that the Oklahoma homeowners insurance market is noncompetitive, and fifty percent (50%) to the parties advocating that it is competitive. This request corresponds directly to paragraphs 2 and 3 of the Court's Order.

63. **This proceeding presents a single binary question with two sides — but a profoundly asymmetric number of participants on each.** The question is whether a reasonable

degree of competition exists in the Oklahoma homeowners insurance market. 36 O.S. § 984(A). The Notice of Hearing was served on more than one hundred insurers, all of whom share an interest in the finding that the market *is* competitive — a finding that preserves "use and file" treatment under 36 O.S. § 987 and forecloses any determination that a rate is excessive under 36 O.S. § 985(A)(1). Arrayed against that group is the Attorney General.

64. **Per-party time allocation would produce a structurally unfair result.** If hearing time is allocated per participant rather than per position, the competitive-market side would receive time in proportion to the number of insurers that appear, while the noncompetitive-market side would receive a single share. That is not a neutral rule. It is a rule that assigns hearing time according to how many corporate entities hold a given view — which has no bearing on the merits of the six factors the Court must weigh under § 984(B)(1).

65. **The Attorney General bears the burden of proof and requires meaningful time to carry it.** Under 36 O.S. § 984(A), "[t]he burden of proof in any hearing shall be placed on the party or parties advocating the position that competition does not exist," and a competitive market is *presumed* to exist. Overcoming a statutory presumption requires affirmative proof on six distinct statutory factors, through expert testimony that must be developed on direct examination and defended on cross. A party who must prove six factual propositions cannot do so in the time it takes an opposing party to deny them.

66. **The OAPA and due process require a meaningful opportunity.** Title 75 O.S. § 309(C) provides that "[o]pportunity shall be afforded all parties to respond and present evidence and argument on all issues involved." The controlling constitutional standard is that "due process requires notice and a meaningful opportunity to appear and be heard," and that "[t]he right to a full hearing includes a reasonable opportunity to know the claims of the opposing party and to meet

them." *Maxwell v. Sprint PCS*, 2016 OK 41, ¶ 19, 369 P.3d 1079, 1090. The opportunity to be heard must come "in a meaningful time and in a meaningful manner." *Flandermeyer v. Bonner*, 2006 OK 87, ¶ 10, 152 P.3d 195, 198–99. That guarantee is hollow if one side of a two-position proceeding operates against a fixed clock while the other's time expands with the number of appearances it files.

67. **Grouping is already contemplated by this Court's Order.** Paragraph 2 of the Order identifies "the potential grouping of insurers to minimize duplicate presentations" as a subject for the pre-hearing conference. An equal-time allocation is the natural companion to grouping: the insurers coordinate among themselves, designate lead counsel and lead witnesses, and allocate their collective share as they see fit. The Attorney General takes no position on how the competitive-market side apportions its half and does not ask this Court to referee that allocation.

68. **The request is administrable.** Equal division applies to each phase — opening statements, direct examination, cross-examination, and closing argument — with each side free to distribute its allotment among witnesses and issues as it chooses. Time consumed by a party in cross-examining an opposing witness is charged to the cross-examining side, which is the standard convention and prevents the use of cross-examination to exhaust an opponent's case-in-chief time.

69. This request does not restrict any insurer's right to appear, to be represented by counsel, to present evidence, or to cross-examine. It asks only that the total time be divided by position rather than by headcount, consistent with paragraph 3 of this Court's Order, which expressly preserves "the ability to allocate additional time upon a showing of good cause."

WHEREFORE, the Attorney General requests an order that:

(a) allocates hearing time equally — 50% to the parties advocating the noncompetitive-market position and 50% to the parties advocating the competitive-market position — as to opening statements, direct examination, cross-examination, and closing arguments;

(b) directs the parties advocating the competitive-market position to confer and designate lead counsel and lead witnesses, and to allocate their collective share among themselves;

(c) designates a timekeeper and directs that a running time record be maintained and reflected in the transcript;

(d) provides that time consumed in cross-examination is charged to the cross-examining side;

(e) provides that if the parties on either side collectively exceed their allocated share, the opposing side shall receive an equivalent amount of additional time; and

(f) preserves the ability of any party to seek additional time upon a showing of good cause, consistent with paragraph 3 of the Court's Order.

MOTION 10 — MOTION FOR A WRITTEN PRE-HEARING ORDER MEMORIALIZING ALL AUGUST 27, 2026, CONFERENCE RULINGS

70. The Attorney General moves for the entry of a written pre-hearing order memorializing all rulings made at the August 27, 2026, pre-hearing conference.

71. **Rulings not in the record are not reviewable.** Under 75 O.S. § 321, judicial review is "confined to the record," and the sole exception concerns procedural irregularities "not shown in the record," as to which testimony may be taken in the reviewing court. *Leo v. Okla. Water Res. Bd.*, 2023 OK 96, ¶ 42, 536 P.3d 939, 953. A party should not be relegated to reconstructing an

oral ruling by testimony when a written order would place it squarely in the record. Under 75 O.S. § 309(F)(1) and OAC 365:1-7-5(b)(1), the record must in any event include "[a]ll pleadings, motions and intermediate rulings."

72. **Substantial rights turn on these rulings.** Under 75 O.S. § 322, a reviewing court may reverse where agency action has prejudiced "the substantial rights of the appellant" through, among other things, unlawful procedure. Rulings on remote expert testimony, advance disclosure, exhibit exchange, time allocation, and offers of proof each bear directly on the Attorney General's ability to carry his statutory burden. Whether granted or denied, each ruling should appear in the record in unambiguous written form. *See Allied Inv. Co.*, 1969 OK 53, ¶ 0 (syllabus), 451 P.2d 952, 952; *Sw. Pub. Serv. Co.*, 1981 OK 136, ¶ 30, 637 P.2d 92, 101.

73. **The conference is being conducted remotely.** Because the August 27, 2026, conference will be held via Microsoft Teams, a written order is particularly important to ensure that the parties and any reviewing court have a clear and uncontested account of what was decided.

WHEREFORE, the Attorney General requests that the Court enter a written pre-hearing order memorializing all rulings made at the August 27, 2026, pre-hearing conference — including rulings on each motion presented herein — and directing that the order be filed and docketed as part of the official record; and further requests that the August 27, 2026, conference be stenographically recorded as set forth in Motion 4.

MOTION 11 — MOTION FOR FAIR AND IMPARTIAL HEARING

74. The Attorney General moves for an order guaranteeing and affirming that he shall receive a fair and impartial hearing and consideration.

75. **Governing standard.** This hearing was requested under 36 O.S. § 984 (A), which provides "[a] competitive market is presumed to exist for a line of insurance unless the

Commissioner, after a hearing, issues an order stating that a reasonable degree of competition does not exist in the market. The burden of proof in any hearing shall be placed on the party or parties advocating the position that competition does not exist." Importantly, "all determinations by the Commissioner shall be made on the basis of findings of fact and conclusions of law." 36 O.S. § 984 (B)(2).

76. **Requirements for individual proceedings.** Under §250.3 and 312 of the OAPA, a final agency order includes findings of fact and conclusions of law and "is dispositive of an individual proceeding." An individual proceeding is the "formal process employed by an agency having jurisdiction by law to resolve issues of law or fact between parties and which results in the exercise of discretion of a judicial nature." Prior to the entry of agency order with findings of fact and conclusions of law, due process requires that an individual proceeding be conducted at which evidence can be presented. *See* 75 O.S. § 310.

77. **Impartiality.** Additionally, Oklahoma law unambiguously requires that "[a] hearing examiner or agency member **shall** withdraw from any individual proceeding in which he cannot accord a fair and impartial hearing or consideration." 75 O.S. § 310.

78. **The Department's role is that of a neutral factfinder, not an advocate for competitiveness.** Contrary to other agency hearings, § 984 market competition hearings are not administrative enforcement proceedings in which the Department investigates an alleged violation, prosecutes the alleged violator, and then asks its adjudicator to determine whether the violation occurred. § 984 does not contemplate the Department serving as an advocate for a position on the issue the Commissioner is statutorily obligated to decide, but rather, the statute carefully provides for an adjudicative process the Commissioner must preside over as a neutral fact finder. In other words, § 984 establishes a **fact-finding proceeding between competing positions**. The parties

advocating noncompetition bear the burden of establishing that proposition over a presumption that the market is competitive; those advocating continued competition may contest it. In exercising the Commissioner's delegated authority, the hearing examiner's function is therefore to receive and evaluate the evidence presented by the parties and make the appropriate findings, as opposed to advocating for one side of the controversy.

79. That the Legislature intended for the Commissioner's role to be neutral rather than that of an advocate in § 984 market competition hearings is further illustrated by the vesting of the Attorney General with the authority to represent aggrieved insurance consumers in rate-related proceedings. Had the Legislature intended the Commissioner to represent the interests of those who believe the market is competitive, the Legislature could and would have vested the Commissioner with such authority.

80. **Bias in public statements.** The Commissioner has publicly taken a position concerning the very subject matter of this hearing, declaring that Oklahoma's homeowners insurance market is competitive through Department communications and media statements. *See* Exhibits A, B, C, D, E. These statements amount to an application of law to facts found by the Commissioner in reliance on evidence propounded by Department, absent the individual proceeding required by statute.

81. **Past hearing denied without hearing evidence.** Additionally, the Commissioner has recently formally decided the question of homeowners market competitiveness at issue here. On April 7, 2026, without hearing evidence, he denied a request for a hearing on competition on the ground that the requesting party did "not provided any information or evidence sufficient to establish the burden of proof necessary to overcome the presumption of a competitive market." *See* Exhibit F.

82. The Commissioner has pre-decided the identical questions of fact and law that he is now duty bound to determine after hearing and has done so without hearing any evidence to the contrary from the party bearing the burden of proof under 36 O.S. § 984(A).

83. Contrary to all other communications, orders, and statements, the Department appears to acknowledge the fact this is a proceeding in front of a neutral "independent hearing examiner" and invites all interested parties to participate and "offer evidence and argument on the issues involve." *See* Exhibit E. The Commissioner and the Department are not intended to be interested parties in such a hearing, but the statutes require the office to be a neutral decision maker on a topic that broadly affects all Oklahomans.

84. If the Department advocates for a position, it no longer operates in a neutral role as intended by law, but rather, it is effectively operating as though it has an interest in the outcome. The only interest the Department should have is hearing all the evidence to ensure it is doing what is best for Oklahomans who pay some of the highest insurance premiums in the country.

85. Rather that alleviating any of the above concerns in setting the hearing at issue, the Commissioner doubled down on his position that the market is competitive and further stated he invited “an objective opinion from an independent hearing officer.” The Commissioner’s public prejudgment of the central issue and advocacy for the position that the market is competitive creates an objective probability of bias and a reasonable appearance that a fair and impartial hearing cannot be accorded in this proceeding.

WHEREFORE, the Attorney General requests that the Court enter a written order guaranteeing and affirming the movant in this matter shall be afforded a fair and impartial hearing and consideration, free from influence, bias or pre-decision by the Commissioner.

IV. CONCLUSION

86. Each request set forth above is grounded in express statutory or regulatory authority, in the constitutional guarantee of a meaningful opportunity to be heard, or in both. None asks this Court to depart from the framework of 36 O.S. § 984 or the Oklahoma Administrative Procedures Act. Several — the request for a court reporter under OAC 365:1-7-5(a), the request to submit proposed findings under 75 O.S. § 312 and OAC 365:1-7-6, the request for advance disclosure of noticed materials under 75 O.S. § 310(4) — are requests the governing rules entitle the Attorney General to make and this Court to grant as a matter of course.

87. Collectively, these requests serve a single purpose: to ensure that the determination this Court makes on September 14, 2026, rests on a complete evidentiary record, developed through a fair and orderly process, and preserved in a form that permits meaningful judicial review under 36 O.S. § 320.

WHEREFORE, PREMISES CONSIDERED, the State of Oklahoma, ex rel. the Attorney General, respectfully requests that this Court grant this Omnibus Pre-Hearing Motion in all respects; enter a written pre-hearing order granting the relief requested in Motions 1 through 11; and grant such other and further relief as is just, equitable, and proper.

Respectfully submitted,

Reggie Whitten

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Attorneys for the State of Oklahoma, ex rel. Gentner Drummond, Attorney General

CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of August 2026, a true and correct copy of the above and foregoing **Omnibus Pre-Hearing Motion of the Oklahoma Attorney General** was filed with the Oklahoma Insurance Department by electronic mail to OIDlegal@oid.ok.gov, and was served by electronic mail upon:

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Climbing Insurance Premiums: Understanding the Evolving Insurance Landscape

By Commissioner Glen Mulready

Throughout the country, consumers are experiencing higher premiums in all lines of insurance that are hitting the consumer's pocketbooks quite hard. I get phone calls, emails and on occasion the harsh social media comment that I am doing nothing to prevent higher premiums in Oklahoma. I thought sharing some key information could help explain this current situation.

The Oklahoma Insurance Department (OID) holds a vital position in the oversight of insurer rate filings, particularly in the Property & Casualty (P&C) lines of insurance. As consumers navigate the complex world of insurance premiums, it is crucial to shed light on our rate review process, its limitations, and the importance of empowering consumers in today's evolving insurance landscape.

We can first look at the transparency and regulatory framework. Our Rate and Form Division, operating under its statutory authority, is responsible for thoroughly reviewing insurer rate filings. The provisions outlined in Title 36 of the Oklahoma Statutes define competitive and noncompetitive markets, establish rate-making standards, and lay out filing requirements. Currently, Oklahoma operates within a competitive market, which mandates insurers to submit rates and supplementary rating information.

Next is the evaluation of rate changes. Our primary focus is assessing whether insurers' rate changes align with their actuarial indications. In cases where deviations arise, we seek clarification from the companies to understand the rationale behind these alterations. In a competitive market, rates can only be disapproved if they are deemed to be inadequate or unfairly discriminatory, not based on being excessively high.

You may be thinking that the real problem may be the limited authority we have over the rates in Oklahoma. The only way we can expand that authority over rates is if a market is declared to be "noncompetitive" through a public hearing process that requires compelling evidence. Given the multitude of insurers and rate variations in markets like Homeowners (HO), where 120 insurers are active, and Private Passenger Auto (PPA), 125 active insurers, declaring one of these as noncompetitive would not be an option.

For Oklahoma consumers facing unexpectedly high renewal premiums, the OID advises shopping around for alternative coverage options. Consumers can obtain quotes from different carriers by reaching out to other insurers or independent agents. However, it is crucial to compare policies accurately by ensuring the same coverages, limits, and other factors are considered. This approach takes advantage of the rate variation in the market and can potentially (and often does) result in cost savings.

In an evolving insurance landscape, it is crucial to foster consumer empowerment and encourage a competitive free market that benefits all stakeholders. Despite limitations, OID plays a critical role in ensuring rates are not inadequate or unfairly discriminatory. By actively exploring alternative insurance options, consumers can exercise their right to make informed choices and potentially reduce their insurance costs.

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For Immediate Release:
January 7, 2026

Insurance Market Is Competitive

By Oklahoma Insurance Commissioner Glen Mulready

Public discussion about Oklahoma's homeowners insurance market has intensified in recent months, with some critics suggesting the market lacks competition. However, objective, well-established economic tools that are widely accepted by the Department of Justice, Federal Trade Commission, fellow regulators, and economists show that the Oklahoma homeowners insurance market is competitive. This isn't determined by rhetoric or perception, and it doesn't mean that premium costs aren't rising or invalidate homeowners' concerns about affordability, which is my top focus along with legislative leaders.

Two of the most commonly used measures of market concentration are the Herfindahl-Hirschman Index (HHI) and the Four-Firm Concentration Ratio (CR4). These tools provide a clear, data-driven way to assess whether a market is competitive or dominated by a small number of firms.

The Herfindahl-Hirschman Index, the primary benchmark for measuring market concentration, uses companies' market shares to yield a single score. Markets with scores below 1500 are considered unconcentrated and competitive, while those above 2500 are highly concentrated and non-competitive. Oklahoma's HHI score is 1362, indicating its homeowners insurance market is clearly competitive by this standard. Oklahoma's score is below this threshold for at least the past five years. The HHI is relied upon by federal entities when evaluating mergers, acquisitions, and potential antitrust concerns.

Less reliable but often cited is the CR4, or Four-Firm Concentration Ratio, that measures the combined market share of the four largest firms in a given market. Scores 0-40% are considered low concentration. Scores 40-70% are considered medium concentration, and scores 70-100% are considered high concentration. Oklahoma's CR4 score is 60%. Used alongside the HHI, it helps confirm whether competition is robust or limited.

When these objective economic tools are applied to Oklahoma's homeowners insurance market, they show a market characterized by multiple active insurers and meaningful consumer choice. No single company—or small group of companies—controls an outsized share of the market. By the standards used nationally and internationally, this reflects a competitive marketplace.

Based on previous news stories, it is important for consumers to know these facts. Insurance market competition is not decided by individual opinions, but by transparent, repeatable economic analysis using metrics that are universally recognized by regulatory authorities.

As critical discussions about insurance affordability and availability continue, grounding the conversation in objective economic analysis—rather than speculation—will help ensure policy decisions are informed by facts rather than perception.

Media questions or comments should be directed to
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Insurance Commissioner Comments on Legislative Changes; Announces Intent to Hold Public Hearing

For Immediate Release:
May 20, 2026

Insurance Commissioner Comments on Legislative Changes; Announces Intent to Hold Public Hearing

OKLAHOMA CITY – Insurance Commissioner Glen Mulready today made the following statements regarding legislation signed into law and the announcement of a public hearing regarding homeowners market status:

"I have shared many times over the past year that there was no authority in our statutes to intervene in filed rates from insurers in our homeowners market. I'm pleased to see this addressed with the signing of HB 3781. The department has already begun preparing for this new file and use process, which will become effective on July 1, 2027. This new process allows us to review filed rates throughout the year and push back against any excessive rate that is not actuarily confirmed by our own regulatory team."

"However, I am very disappointed that other opportunities to pass consumer protection legislation we highlighted in December last year were killed by industry lobbyists and trial lawyers this session. These were simple reforms that have been implemented in other states where markets have rebounded, including mandatory mediation. For too long, trial lawyers have disguised profit-driven litigation as consumer protection while Oklahoma families and businesses pay the price through higher insurance premiums. We cannot allow excessive litigation to become a business model that drives affordability further out of reach for hardworking Oklahomans."

"I also stand by my position that we have a competitive market for homeowners insurance coverage. All significant indicators (Including those used by the Department of Justice, Federal Trade Commission, Federal Reserve, and the National Association of Insurance Commissioners) support our analysis of market concentration. However, considering this new law and to provide certainty for future rate filing processes, I am announcing today that we will convene a public hearing in September to determine whether a reasonable degree of concentration does or does not exist in Oklahoma's homeowners insurance market. This hearing will allow presentations of evidence from different parties about this topic so that we can receive a formal opinion from an independent hearing officer and move forward accordingly."

"Finally, I am keenly aware of the political posturing and maneuvering that takes place around policy issues facing Oklahomans during campaign season. This hearing is being set beyond our upcoming primary elections so that it is not a runaway train for political candidates to get an extra soundbite. We have worked hard to stay in our lane and have remained laser focused on developing policy ideas, getting homes FORTIFIED™ and wrapping up investigations into roof claims. We look forward to a new rate filing process and future next steps."

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could give public a voice on rates

J.C. Hallman Oklahoma Watch
June 5, 2026, 9:45 a.m. CT

Oklahoma Insurance Commissioner Glen Mulready was against it at first, then for it.

On May 20, less than six weeks after he denied a request for a public hearing on whether Oklahoma's homeowners insurance market is competitive, Mulready announced an identical hearing to be held in September.

In the same announcement, Mulready addressed recent substantive changes to Oklahoma insurance law — already signed by Gov. Kevin Stitt — that directly affect whether the skyrocketing rates that have been crippling Oklahoma homeowners' budgets for years can be challenged.

The changes in law and the competition hearing are directly related — and the devil is in the details.

Mulready's announcement reiterated his position that Oklahoma law prevented his office from challenging excessive rates.

More: CompSource conversion approved, but policyholders sue to stop it

"I have shared many times over the past year that there was no authority in our statutes to intervene in filed rates from insurers," Mulready wrote.

The problem is, that's not entirely true.

Title 36 stipulates that rates in a competitive market cannot be challenged; however, rates can be challenged after a non-competitive market has been declared.

THE OKLAHOMAN

Oklahoma law does not specify when a hearing might be called. Mulready's call for a September hearing comes just six months before the end of his eight-year tenure as commissioner; he has called for no other hearing on competition.

'You'd need an aggressive commissioner'

Scrutiny of Oklahoma's homeowners market began a little more than a year ago when reporters debunked what had become an article of faith: hailstorms alone explained why Oklahoma had some of the highest homeowners rates in the country.

That Oklahoma Watch investigation revealed that Mulready had been the primary source for a Wall Street Journal article that suggested as much, but the data Mulready supplied to the Journal revealed the opposite: Oklahoma had less hail but higher premiums than both Kansas and Texas.

Mulready backpedaled with another insurance department announcement: "It's Not Just Hail: A Look Into Oklahoma Homeowners Rates."

Here, Mulready alluded to the statutory provision that would have enabled him to regulate excessive rates.

"OID has no statutory authority to set or approve homeowners rates except in certain, extraordinary circumstances," the announcement said.

Oklahoma insurance law makes no reference to extraordinary circumstances.

Subsequent reporting on competitive markets uncovered irregularities in how Oklahoma calculates whether its market is competitive. Oklahoma Watch's own analysis revealed that, at best, Oklahoma is an oligopoly. That is, a market dominated by a small number of firms whose outsized market share opens the door for non-competitive behavior.

package failed to become law.

By way of contrast, House Bill 3781, authored by Rep. Stacy Jo Adams, R-Duncan, and subsequently championed by a bipartisan collection of lawmakers, sailed through the House and the Senate and was quickly signed into law.

HB 3781, in modifying the portion of Title 36 known as the Property and Casualty Competitive Loss Cost Rating Act, primarily did two things. First, it shifted Oklahoma's homeowners laws from a use-and-file system, which enabled insurers to implement rate hikes without any scrutiny at all, to a more Texas-style file-and-use system, which requires the insurance department to engage actuaries — insurance accountants — to study rate increases within 30 days of filing to determine whether they are truly necessary.

Second, HB 3781 eliminated the statutory prohibition — hearing or no hearing — on challenging excessive rates.

Veteran federal administrator and longtime insurance consumer advocate J. Robert Hunter, who spoke to Oklahoma legislators at one of two interim studies last fall, praised the changes to Oklahoma law as a small step in the right direction, but warned that there were obstacles embedded in the bill that could make its practical implementation difficult.

Specifically, Hunter said the 30-day window for evaluating rate increases was not sufficient. Furthermore, the requirement of careful actuarial scrutiny was problematic because the Oklahoma Insurance Department, unlike the Texas Insurance Department, does not employ a team of actuaries.

"It does strike the language that made it impossible to challenge excessive rates," Hunter said. "You do have the opportunity to challenge a rate, but you have only 30

THE OKLAHOMAN

Hunter was also struck by the fact that the new law will not go into effect until July 1, 2027. He speculated that if insurance companies were going to resist implementation of the new law, it could become a political hot potato.

“There’s going to be more fighting over this, on both sides,” Hunter said.

'If the market is competitive, prove it'

On Feb. 24, Bob Sullivan, one of five candidates running for Mulready’s job alongside fellow Republicans Greta Shuler, Marty Quinn, and Chris Meredith, and Democrat Craig MacIntyre, formally requested a hearing on competitiveness in a letter addressed to Mulready.

“I represent Oklahoma policyholders who intend to participate as a party to this proceeding,” Sullivan’s letter read.

A press release issued at the same time struck a firmer tone.

“If the market is competitive, prove it,” Sullivan said. “If it’s not, it’s time for leadership that puts Oklahoma families first.”

Oklahoma law required a response to the request within 30 days. Mulready was two weeks late; his denial of the hearing relied on hair-splitting legal equivocations.

“Mr. Sullivan has not provided any information or evidence sufficient to establish the burden of proof necessary to overcome the presumption of a competitive market,” Mulready’s April 7 decision read.

Six weeks later, on May 20, Mulready flip-flopped and called for a hearing himself.

Mulready refused an interview request regarding his May 20 statement.

THE OKLAHOMAN

After saying he was pleased by statutory changes he never advocated for himself, Mulready criticized plaintiffs' attorneys who, in recent years, have been winning significant settlements on behalf of policyholders who felt cheated when their insurance companies denied claims.

In January, a poll revealed that 88% of Oklahomans support the right of policyholders to sue insurance companies.

Muready attempted to link litigation costs to the broader affordability crisis.

"We cannot allow excessive litigation to become a business model that drives affordability further out of reach for hardworking Oklahomans," Mulready wrote.

Oklahoma City plaintiffs attorney Jeff Marr, who has been suing insurance companies for decades, said that blaming Oklahoma policyholders and the lawyers who represent them for rising insurance premiums was both misleading and dangerously ignorant.

"Suggesting that consumers exercising their legal rights are responsible for premium increases shifts the cost of insurer misconduct back onto Oklahoma families," Marr said. "[That] is not consumer protection. It is protection for insurance companies."

Although Mulready announced a hearing to determine competitiveness, he also said he already believes the market to be competitive.

"I also stand by my position that we have a competitive market for homeowners insurance coverage," Mulready wrote.

Although Mulready said the hearing would feature evidence from as-yet-unnamed parties and result in an opinion from an independent hearing officer — also

"Calling a hearing in which [Mulready] declares the result in advance? Love it," consumer advocate Hunter said, with a sarcastic harrumph.

The date of the public hearing has not yet been set. If held, and if the public is allowed to speak, the hearing may represent the only opportunity Oklahoma homeowners will have to express frustrations over skyrocketing rates directly to Mulready before he leaves office.

Oklahoma Watch, at oklahomawatch.org, is a nonprofit, nonpartisan news organization that covers public-policy issues facing the state.

THE OKLAHOMAN

BUSINESS

Oklahoma Insurance Department to host market competitiveness hearing

Jeff Elkins
The Oklahoman

July 15, 2026, 9:54 a.m. CT

In an attempt to determine whether the homeowners insurance market in the state is noncompetitive, Oklahoma Insurance Commissioner Glen Mulready has issued a notice for a hearing this fall before an independent examiner.

The hearing is scheduled for 9 a.m. Monday, Sept. 14 at the multipurpose room 100 in the State Capitol, 2300 N. Lincoln Blvd.

An Oklahoma Insurance Department announcement sent out Tuesday invites those with a “direct, immediate and substantial interest in the determination of whether or not the homeowners insurance market in Oklahoma is noncompetitive, including all property and casualty insurers writing homeowners insurance business in Oklahoma and the Oklahoma Attorney General,” to participate in the public hearing and offer evidence and argument.

The meeting comes as Oklahomans face some of the highest homeowners insurance rates in the nation, with average premiums exceeding $5,000 to $7,000 annually. This financial burden has sparked heightened scrutiny over whether the state’s insurance market is truly competitive and adequately serving homeowners.

More: Oklahoma homeowners still pay the highest insurance rates in the US, 2026 study shows

State Farm, Allstate face lawsuits over insurance claims

Two of the nation's largest insurance companies, State Farm and Allstate, have been under increasing fire in the last year, embroiled in hundreds of lawsuits filed in Oklahoma by residents, and two by state Attorney General Gentner Drummond, who is also a gubernatorial candidate. The lawsuits accuse the companies of executing internal schemes to deny or minimize valid wind and hail damage claims to maximize profits.

However, the notice states the hearing is not for the purpose of determining whether any particular homeowner's rates are excessive, or addressing any claims issues.

The meeting to investigate competitiveness in the market represents a regulatory pivot, and may come as a surprise to some, because Mulready, the agency's outgoing head, has generally maintained a hands-off approach to regulating the state's insurance industry through his tenure.

Mulready has maintained his belief that Oklahoma has a competitive insurance market based on market concentration indicators, including those used by the U.S. Department of Justice, Federal Trade Commission, Federal Reserve and the National Association of Insurance Commissioners.

"With the passage of the new law and to provide certainty for future rate-filing processes, the (OID) announced that it will hold a public hearing in September to formally determine whether a reasonable degree of market concentration exists. The hearing will allow all interested parties to present evidence before an independent hearing officer," said Liz Heigle, spokesperson for the Oklahoma Insurance Department.

The agency's statement references House Bill 3781, which shifts Oklahoma from a use-and-file system, which permits insurance companies to implement new rates immediately, to a file-and-wait framework. The law requires companies to file new rates alongside supporting actuarial data at least 30 days in advance for competitive markets and 60 days for noncompetitive markets. It takes effect on July 1, 2027.

After the hearing concludes, the examiner may issue an order determining whether or not the homeowners insurance market in Oklahoma is noncompetitive and "grant such other relief as he deems fair, reasonable, necessary, proper and equitable."

A September date avoids primary-season, which was Mulready's intention, according to a May release. It also ensures that skyrocketing premiums and industry oversight will remain a talking point ahead of the November general election.

Those wishing to participate are asked to file an entry of appearance by emailing OIDlegal@oid.ok.gov.

FILED

APR 07 2026

INSURANCE COMMISSIONER
OKLAHOMA

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

IN RE:	**Request by BOB SULLIVAN, an Oklahoma resident, for a hearing pursuant to 36 O.S. § 984**	)))	**Case No. 26-0215-COR**

ORDER

The State of Oklahoma, ex rel. Glen Mulready, Insurance Commissioner, having fully reviewed the correspondence from Mr. Sullivan and comprehensive data relating to the current Oklahoma homeowners' insurance market, finds and orders as follows:

JURISDICTION AND APPLICABLE LAW

1. Glen Mulready is the Insurance Commissioner of the State of Oklahoma ("Commissioner") and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O.S. §§ 101 *et seq.*

2. In particular, the Insurance Commissioner has jurisdiction over the Property and Casualty Competitive Loss Cost Rating Act, 36 O.S. §§ 981 – 999, which regulates the use and filing of homeowners insurance rates for the State of Oklahoma.

3. Pursuant to 36 O.S. § 985(A)(1), "No rate in a competitive market may be determined to be excessive. A rate in a noncompetitive market may be determined to be excessive if it is likely to produce a profit that is unreasonably high for the insurance provided."

4. Pursuant to 36 O.S. § 984(A), "A competitive market is presumed to exist for a line of insurance unless the Commissioner, after a hearing, issues an order stating that a reasonable degree of competition does not exist in the market. The burden of proof in any hearing shall be placed on the party or parties advocating the position that competition does not exist. Any ruling that a market is not competitive shall identify the factors causing the market not to be competitive…."

EXHIBIT

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Any such ruling may be challenged and appealed to the Oklahoma County District Court. 36 O.S. § 984(B)(3).

5. "In determining whether a reasonable degree of competition exists within a line of insurance, the Commissioner shall consider the following factors:

> a. the number of insurers actively engaged in writing coverage,
>
> b. market shares of the leading writers and the changes in market shares over a reasonable period of time,
>
> c. existence of financial or economic barriers that could prevent new firms from entering the market,
>
> d. measures of market concentration and changes of market concentration over time,
>
> e. whether long-term profitability for insurers in the market is reasonable in relation to industries of comparable business risk, and
>
> f. the relationship of insurers' costs to revenue over a reasonable period of time."

36 O.S. § 984(B)(1).

6. No other statute provides any definition or other criteria for measuring and determining whether an insurance market is competitive or noncompetitive.

7. OAC 365:1-7-1(a) states:

> The Insurance Commissioner may hold hearings on any matters within his/her jurisdiction under the Insurance Code, either upon his/her own motion or upon written demand therefor by any person aggrieved by any act, threatened act, or failure to act of the Insurance Commissioner or by any report, regulation, rule or order of the Insurance Commissioner. The written demand for hearing should specify the grounds to be relied upon as a basis for relief demanded at the hearing.

FINDINGS OF FACT

8. On or around March 9, 2026, a letter from Bob Sullivan addressed to the Insurance Commissioner was hand-delivered to the Oklahoma Insurance Department, 400 NE 50th Street, Oklahoma City, OK 73105. Exhibit 1, Letter from Bob Sullivan (Mar. 9, 2026).

9. The letter formally requests that the Insurance Commissioner hold a hearing pursuant to 36 O.S. § 984 and OAC 365:1-7-1 regarding whether a reasonable degree of competition exists within the Oklahoma homeowners insurance market.

10. As support for the request, the letter references "numerous news stories regarding the cost of homeowners insurance in Oklahoma in recent months," media reports that Oklahomans pay highest premiums in the country for homeowners insurance, an investigation by the Oklahoma Attorney General into the conduct of insurers providing homeowners' insurance, and an Order issued by Former Insurance Commissioner John Doak in 2016 relating to earthquake insurance rates.

11. The letter also states Mr. Sullivan represents Oklahoma policyholders who intend to participate as parties to the proceedings but does not name any of those individuals nor explain in what capacity he represents such policyholders.

12. The letter does not include nor cite to any specific supporting evidence, information, or data.

13. The Insurance Commissioner and Oklahoma Insurance Department staff closely monitor and analyze the Oklahoma homeowners insurance market, including its market concentration and rate increases and decreases, through required financial statements and filings, rate filings, market data calls, and other submissions of documents and data. The findings of fact provided herein are based on this data and analysis.

14. On or around September 30, 2025 and October 7, 2025, the Insurance Commissioner

presented at interim studies before the Oklahoma Legislature regarding homeowners insurance rates. Those interim studies also included various presenters representing both insurance companies and consumers.

15. In 2024, around 109 different insurance companies, making up at least fifty-three (53) different group codes, were actively writing homeowners insurance coverage in Oklahoma.

16. No single company—or group of affiliated companies—controls more than 31% of the homeowners insurance market.

17. Well-established economic tools widely accepted by the Department of Justice, the Federal Trade Commission, fellow regulators, and economists evidence that Oklahoma's homeowners insurance market is competitive.

18. The Herfindahl-Hirschman Index, the primary benchmark for measuring market concentration, uses companies' market shares to yield a single score. Markets with scores below 1500 are considered unconcentrated and competitive, while those above 2500 are highly concentrated and non-competitive. Oklahoma's HHI score is 1362. Oklahoma's HHI score has been within a competitive threshold for at least the past five (5) years. See Exhibit 2, Okla. Ins. Dep't, Presentation at September 30, 2025 Legislative Interim Study on Rising Homeowner Insurance Rates, pg. 5; see also Exhibit 3, Insurance Commissioner Glen Mulready, *Economic Indicators Show Oklahoma's Homeowners Insurance Market is Competitive* (Jan. 7, 2026), https://www.oid.ok.gov/getready1_2026/.

19. The CR4, or Four-Firm Concentration Ratio, measures the combined market share of the four largest firms in a given market. Scores 0-40% are considered low concentration. Scores 40-70% are considered medium concentration, and scores 70-100% are considered high concentration. Oklahoma's CR4 score is around 60%. Although less reliable, the CR4 score in combination with

Oklahoma's HHI score helps confirm the competitiveness of the Oklahoma homeowners insurance market. See id.

20. The following chart shows the combined ratios for companies writing homeowners insurance coverage in Oklahoma from 2020 to 2024. In four (4) out of the five (5) years, the top twenty (20) companies issuing homeowners insurance in Oklahoma on average experienced underwriting losses.

Homeowners Combined Ratios for Writers in Oklahoma		
Year	Average of All Companies	Average of Top 20 Companies
2024	108.11%	101.15%
2023	136.55%	134.78%
2022	78.76%	79.77%
2021	100.97%	106.83%
2020	98.64%	101.80%
S&P Global Market Intelligence	Combined Ratio	
2024	109.80%	
2023	136.00%	
2022	83.30%	
2021	103.20%	
2020	101.90%	

Exhibit 2, Okla. Ins. Dep't, Presentation at September 30, 2025 Legislative Interim Study on Rising Homeowner Insurance Rates, pg. 6.

21. In 2025, thirty-three (33) rate changes for homeowners insurance products were filed with the OID by the twenty (20) insurance companies holding the largest market shares of homeowners insurance coverage in Oklahoma. Nineteen (19) of these filings included no overall rate impact increases. Two (2) filings were overall rate impact decreases of -0.5 and -6.2. Fourteen (14)

of these filings included overall rate impact increases ranging from 2.6% to 31.9%—with eleven (11) of these filings being between ten percent (10%) to twenty percent (20%) and six (6) being under ten percent (10%). See Okla. Ins. Dep't, SERFF State Rate Change Report – Homeowners (01/01/2025 to 12/31/2025), https://www.oid.ok.gov/wp-content/uploads/2026/03/2025-HO-SERFF-State-Rate-Change-Report.pdf. Overall, rate increases for 2025 were substantially less than rate increases filed in previous years and reflect a downward trend.[1]

22. The current Oklahoma homeowners insurance market is not similar to the earthquake insurance market that existed in Oklahoma in 2016 for the following reasons. Although more than one hundred (100) companies were actively writing earthquake insurance coverage around 2015 and 2016, that coverage was mostly add-on coverage to existing homeowners insurance. It is also a catastrophic loss coverage, which is significantly different than homeowners insurance coverage. Audio Recording of May 24, 2016 Hearing, Case No. 16-0391-TRN.

23. The earthquake insurance market experienced a significant shift between 2010 to 2015 with more consumers and less business owners purchasing the coverage by 2015. *Id.* In 2010, direct premiums written in Oklahoma were around \$6.7 million. By 2015, the direct premium amount written was around \$18.8 million. See Exhibit 4, State of Okla., ex rel. John D. Doak to All Licensed Property and Casualty Insurers, et al., Case No. 16-0391-TRN, Notice of Hearing filed (Apr. 18, 2016); see also Exhibit 5, State of Okla., ex rel. John D. Doak to All Licensed Property and Casualty Insurers, et al., Case No. 16-0391-TRN, Order In Re: Earthquake Insurance Rates filed (June 5, 2016). From 2010 to 2015, total premiums written were around \$76.3 million while only around \$4.3 million was paid out in claims—for a pure direct loss ratio of around three percent (3%).

[1] Rate filings submitted to the Oklahoma Insurance Department are public record upon their effective date and may be viewed electronically by visiting the OID's website at https://www.oid.ok.gov/regulated-entities/rate-and-form-filing/public-rate-and-form-filings/.

Id. Yet, in 2015, earthquake insurance carriers filed twelve (12) rate increase filings ranging from four percent (4%) to three hundred percent (300%). Audio Recording of May 24, 2016 Hearing, Case No. 16-0391-TRN.

CONCLUSIONS OF LAW

24. Taking into consideration the factors listed in 36 O.S. § 984(B)(1) and applying the findings of facts provided above, the evidence supports a finding that the Oklahoma homeowners insurance market is competitive and does not support a hearing pursuant to 36 O.S. § 984. Mr. Sullivan has not provided any information or evidence sufficient to establish the burden of proof necessary to overcome the presumption of a competitive market. Nor has Mr. Sullivan established that he or any other consumer has standing under 36 O.S. § 984 and OAC 365:1-7-1.

25. The evidence establishes that the current Oklahoma homeowners insurance market is not similar to the earthquake insurance market that existed in Oklahoma in 2016. The most significant contributing factor to the determination of a noncompetitive market for earthquake insurance in 2016 was the fact that earthquake carriers were seeking rate increases of four percent (4%) to three hundred percent (300%) despite high profitability over the previous five (5) years and only a 3% direct loss ratio. Those facts contrast greatly with the current homeowners market where rate increases filed range from 2.6% to 31.9% and the top twenty (20) homeowners carriers in Oklahoma have overall experienced underwriting losses over the past five (5) years.

ORDER

IT IS THEREFORE ORDERED that Mr. Sullivan's request for a hearing pursuant to 36 O.S. § 984 and OAC 365:1-7-1 is denied. However, the Insurance Commissioner is extremely focused on protecting Oklahoma consumers on this very important issue. The Insurance Commissioner has been actively and diligently working with the legislature to pursue legislation changes that would offer greater consumer protections in the homeowners insurance market, as well as stabilizing rates, utilizing regulatory measures to assist consumers, investigate, and take enforcement action against homeowners insurance companies that are not in compliance with the law.

WITNESS My Hand and Official Seal this _7__ day of April, 2026.

GLEN MULREADY
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

CERTIFICATE OF MAILING

I, Nicole M. Nash, hereby certify that a true and correct copy of the above and foregoing *Order* was sent by certified mail with postage prepaid and return receipt requested and by email on this 7th day of April, 2026, to:

Bob Sullivan
[redacted]

CERTIFIED MAIL NO. 9589 0710 5270 2711 7098 80

Bob Burke
BURKE LAW FIRM
512 North Broadway Avenue, Suite 300
Oklahoma City, OK 73102
405-802-1495
bob@bobburkelaw.com

CERTIFIED MAIL NO. 9589 0710 5270 2711 7098 97

Nicole Nash

Nicole M. Nash

February 24, 2026

Commissioner Glen Mulready

Oklahoma Insurance Department

400 NE 50th St. Oklahoma City, OK 73105

Dear Commissioner Mulready:

There have been numerous news stories regarding the cost of homeowners insurance in Oklahoma in recent months. Media outlets have reported that several studies find that Oklahomans' pay the highest premiums in the country for this coverage. In addition, the Oklahoma Attorney General has begun an investigation into the conduct of insurers who provide this coverage.

Your position on this matter has relied on your allegation that competition exists among insurance companies in the market, proscribing your ability to intervene on behalf of Oklahoma insureds, presumably pursuant to 36 O.S. Section 984, which provides, inter alia, "A competitive market is presumed to exist for a line of insurance unless the Commissioner after a hearing, issues an order stating that a reasonable degree of competition does not exist in the market."

I'm attaching an order issued by a former Commissioner John Doak in 2016 relating to earthquake insurance rates. After a hearing to determine whether competition existed in that marketplace, Doak determined that despite 119 insurers writing earthquake coverage, the four largest writers market share "exceeded 50% at all times for the six years preceding December 31, 2015." His order found that a reasonable degree of competition did not exist, and that earthquake insurance was a noncompetitive line of insurance.

Commissioner Doak's finding is based on market share data eerily similar to that which exists in Oklahoma today in which four major players control over half the homeowners' insurance market. In addition, Doak made his finding of no competition with 119 insurers writing earthquake insurers. Oklahoma has less than 100 companies writing homeowners insurance.

I am formally requesting you hold a hearing pursuant to 36 O.S. Section 984 and OAC 365:1-7-1. I represent Oklahoma policy holders who intend to participate as a party to this proceeding which requires you to consider the following factors:

"a. the number of insurers actively engaged in writing coverage,

b. market shares of the leading writers and the changes in market shares over a reasonable period of time,

c. existence of financial or economic barriers that could prevent new firms from entering the market,

EXHIBIT

1

d. measures of market concentration and changes of market concentration over time,

e. whether long-term profitability for insurers in the market is reasonable in relation to industries of comparable business risk, and

f. the relationship of insurers' costs to revenue over a reasonable period of time."

Pursuant to OAC 365:1-7-1(b) you "shall either set down the matter for hearing within thirty (30) days from the receipt of the demand therefor or shall issue a written order denying hearing."

Respectfully,

Bob Sullivan

Candidate for Oklahoma Insurance Commissioner 2026

Bob Sullivan

18566 S Park Pl

Inola, OK 74036

BOB BURKE
512 NORTH BROADWAY AVENUE
SUITE 300
OKLAHOMA CITY, OK 73102

RECEIVED
FRONT DESK
MAR 09 2026
OKLAHOMA INSURANCE DEPT.

Hon. Glen Mulready

* CARRIE

BOB BURKE
512 NORTH BROADWAY AVENUE
SUITE 300
OKLAHOMA CITY, OK 73102

RECEIVED
FRONT DESK
MAR 09 2026
OKLAHOMA INSURANCE DEPT.

Nicole NASh, Esq.

OKLAHOMA
INSURANCE
DEPARTMENT

SEPTEMBER 2025

Glen Mulready – Insurance Commissioner

INSURANCE COMMISSIONER
STATE OF OKLAHOMA

EXHIBIT
tabbles'
2

State Rate Filings

- Prior Approval – 14
- File and Use – 30
- Use and File – 8
- No File - 1

OKLAHOMA
INSURANCE
DEPARTMENT

Oklahoma Statutory Reference

OK 36-984

B. 1. In determining whether a reasonable degree of competition exists within a line of insurance, the Commissioner shall consider the following factors:

a. the number of insurers actively engaged in writing coverage,

b. market shares of the leading writers and the changes in market shares over a reasonable period of time,

c. existence of financial or economic barriers that could prevent new firms from entering the market,

d. measures of market concentration and changes of market concentration over time,

e. whether long-term profitability for insurers in the market is reasonable in relation to industries of comparable business risk, and

f. the relationship of insurers' costs to revenue over a reasonable period of time.

2. All determinations by the Commissioner shall be made on the basis of findings of fact and conclusions of law.

3. The ruling may be challenged in the district court.

OK 36-985

A.1. No rate in a competitive market may be determined to be excessive. A rate in a non-competitive market may be determined to be excessive if it is likely to produce a profit that is unreasonably high for the insurance provided.

Herfindahl-Hirschman Index (HHI)

"A measure of the state of firms in relation to the industry they are in and is an indicator of the amount of competition among them."

Formula = the sum of the squares of each company's marketshare.

DOJ MEASUREMENT

0 – 1500	Unconcentrated Market (Competitive)
1500 – 2500	Moderately Concentrated
2500+	High Concentration (Non-competitive)

OK HOMEOWNER'S MARKET HHI SCORES

2024	1158
2023	1173
2022	1106
2021	1045
2020	1147

Combined Loss Ratios

HO LOB Combined Ratios for Writers in Oklahoma		
Year	Industry Average by Market Share	Average of Top 20 Companies
2024	108.11%	101.15%
2023	136.55%	134.78%
2022	78.76%	79.77%
2021	100.97%	106.83%
2020	98.64%	101.80%
S&P Global Market Intelligence	Combined Ratio	
2024	109.80%	
2023	136.00%	
2022	83.30%	
2021	103.20%	
2020	101.90%	

OKLAHOMA INSURANCE DEPARTMENT

OK READY

STRENGTHEN OKLAHOMA HOMES PROGRAM

23 Contractors
4 Evaluators

3 Pilot Phases

46 homes completed
and grants paid

339
applications
in process

615
applications
available

$446,075.58
paid out in
grants

FORTIFIED ROOF

On average, Homeowners have saved $730 on their premiums after fortifying their homes.

OKLAHOMA
INSURANCE
DEPARTMENT

WWW.OID.OK.GOV

Oklahoma Insurance Department | Insurance Commissioner Glen Mulready | 800.522.0071

For Immediate Release:
January 7, 2026

Economic Indicators Show Oklahoma's Homeowners Insurance Market Is Competitive

By Oklahoma Insurance Commissioner Glen Mulready

Public discussion about Oklahoma's homeowners insurance market has intensified in recent months, with some critics suggesting the market lacks competition. However, objective, well-established economic tools that are widely accepted by the Department of Justice, Federal Trade Commission, fellow regulators, and economists show that the Oklahoma homeowners insurance market is competitive. This isn't determined by rhetoric or perception, and it doesn't mean that premium costs aren't rising or invalidate homeowners' concerns about affordability, which is my top focus along with legislative leaders.

Two of the most commonly used measures of market concentration are the Herfindahl-Hirschman Index (HHI) and the Four-Firm Concentration Ratio (CR4). These tools provide a clear, data-driven way to assess whether a market is competitive or dominated by a small number of firms.

The Herfindahl-Hirschman Index, the primary benchmark for measuring market concentration, uses companies' market shares to yield a single score. Markets with scores below 1500 are considered unconcentrated and competitive, while those above 2500 are highly concentrated and non-competitive. Oklahoma's HHI score is 1362, indicating its homeowners insurance market is clearly competitive by this standard. Oklahoma's score is below this threshold for at least the past five years. The HHI is relied upon by federal entities when evaluating mergers, acquisitions, and potential antitrust concerns.

Less reliable but often cited is the CR4, or Four-Firm Concentration Ratio, that measures the combined market share of the four largest firms in a given market. Scores 0-40% are considered low concentration. Scores 40-70% are considered medium concentration, and scores 70-100% are considered high concentration. Oklahoma's CR4 score is 60%. Used alongside the HHI, it helps confirm whether competition is robust or limited.

When these objective economic tools are applied to Oklahoma's homeowners insurance market, they show a market characterized by multiple active insurers and meaningful consumer choice. No single company—or small group of companies—controls an outsized share of the market. By the standards used nationally and internationally, this reflects a competitive marketplace.

Based on previous news stories, it is important for consumers to know these facts. Insurance market competition is not decided by individual opinions, but by transparent, repeatable economic analysis using metrics that are universally recognized by regulatory authorities.

As critical discussions about insurance affordability and availability continue, grounding the conversation in objective economic analysis—rather than speculation—will help ensure policy decisions are informed by facts rather than perception.

Media questions or comments should be directed to Chief of Communications, Liz Heigle

EXHIBIT
3

BEFORE THE INSURANCE COMMISSIONER OF THE
STATE OF OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,	)	
To:	)	**Case No. 16-0391-TRN**
All Licensed: Property and Casualty Insurers, Rating and Advisory Organizations Re Earthquake Insurance in the State of Oklahoma.	)	FILED APR 1 3 2016 INSURANCE COMMISSIONER OKLAHOMA

NOTICE OF HEARING

COMES NOW the State of Oklahoma, ex rel. John D. Doak, Insurance Commissioner, by and through counsel, Gordon C. Amini, and alleges and states as follows:

JURISDICTION

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O. S. §§ 101- 7301.

2. Affected by this Notice are licensed insurers, rating and advisory organizations ("insurers") re earthquake insurance covering property located in the State of Oklahoma.

3. The Property and Casualty Competitive Loss Cost Rating Act (36 O.S. §§ 981-999) ("Rating Act") regulates the filing and use of earthquake insurance rates for the State of Oklahoma.

4. In a competitive market, as defined in § 982 of the Rating Act, insurers are permitted to use insurance rates as long as such rates and supplementary rate information are filed with the Commissioner within thirty (30) days following the effective date of the filing.

EXHIBIT 4

PETITIONER EXHIBIT 1

December 31, 2015, indicates that approximately 150 companies offer some form of coverage. Almost all such coverages are provided as an add-on to homeowners insurance and very little coverage is available on a "stand-alone" basis. Because of the prevalence of multi-coverage discounts many policyholders have purchased homeowners, auto, boat, ATV, and umbrella liability from the same company. The difficulty in switching carriers to obtain a better price or lower deductible on earthquake coverage, greatly limits the competitiveness of the earthquake line of insurance.

8. Earthquake insurance, like flood insurance, is protection for homes and businesses against catastrophic damage. Without reasonably priced earthquake insurance, many Oklahomans could not afford to rebuild seriously damaged or destroyed property. Before the current trickle of rate increases becomes a flood, the Commissioner has determined to act proactively to protect the greater public interest in maintaining a viable competitive market for earthquake insurance.

9. Information collected from insurance companies demonstrates that 70% of the earthquake insurance, written in Oklahoma, is concentrated in only a few companies.

10. The Commissioner has, just this week, issued a mandatory call to the companies for detailed earthquake claims data. This data will be carefully reviewed to ensure that consumers are treated fairly.

WHEREFORE, affected insurers are hereby given notice of a hearing to be held at 8:00 a.m. on the 24th day of May 2016, at the Office of the Insurance Commissioner, Five Corporate Plaza, 3625 NW 56th St., Oklahoma City, OK 73112. The purpose of the hearing is to determine whether a reasonable degree of competition exists in the Oklahoma market for earthquake insurance. In determining whether a reasonable degree of competition exists, the Commissioner shall consider the following factors:

a. the number of insurers actively engaged in writing coverage;

b. market shares of the leading writers and the changes in market shares over a reasonable period of time;

c. existence of financial or economic barriers that could prevent new firms from entering the market;

d. measures of market concentration and changes of market concentration over time;

e. whether long-term profitability for insurers in the market is reasonable in relation to industries of comparable business risk; and,

f. the relationship of insurers' costs to revenue over a reasonable period of time.

If after hearing, the Commissioner determines that a reasonable degree of competition does not exist, the Commissioner shall issue an order designating earthquake insurance as a noncompetitive line of insurance in the State of Oklahoma.

The proceedings shall be conducted in accordance with the Oklahoma Administrative Procedures Act, 75 O.S. §§ 301-323. The Commissioner or his designee shall conduct the hearing. A recording of the proceedings will be available upon request. The Insurance Department requests that any person desiring to be heard, provide written notice to Gordon C. Amini, General Counsel, prior to May 17, 2016 at 3625 NW 56th St., Suite 100, Oklahoma City, OK 73112

WITNESS My Hand and Official Seal this 18th day of April, 2016.

JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

Gordon C. Amini, General Counsel
3625 NW 56th St., Suite 100
Oklahoma City, OK 73112
(405) 522-6335

Hearings

2016 ALL PROPERTY AND CASUALTY INSURERS, RATING AND ADVISORY ORGANIZATIONS HEARING ON EARTHQUAKE INSURANCE RATE INCREASES IN THE STATE OF OKLAHOMA

Notice of Hearing Re Earthquake Insurance In the State of Oklahoma

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2004 STATE BOARD FOR PROPERTY AND CASUALTY RATES HEARING ON WORKERS' COMPENSATION LOSS COSTS

In the matter of the Workers' Compensation Loss Cost Filing By the National Council on Compensation Insurance-File No. 2004-2828C, 04-1041-PRJ; Order and Decision of the Board

SPECIAL MEETING: State Board for Property and Casualty Rates Hearing on Workers' Compensation Loss Costs Scheduled for Thursday, September 23, 2004 at 11:00 am

August 5, 2004 Scheduling Order in the Matter of the Workers' Compensation Loss Costs Filing by the National Council on Compensation Insurance; File No. 04-1041-PRJ.

INSURANCE COMMISSIONER'S HEARING ON MEDICAL MALPRACTICE LIABILITY INSURANCE RATES:

2006

September 28, 2006 Notice of Hearing In the Matter of the Medical Malpractice Professional Liability Rate Filing by Physicians Liability Insurance Company; File No. 06-1541-PRJ.

September 28, 2006 Continuance Order In the Matter of the Medical Malpractice Professional Liability Rate Filing by Physicians Liability Insurance Company; File No. 06-1541-PRJ.

October 3, 2006 Cancellation of Hearing In the Matter of the Medical Malpractice Professional Liability Rate Filing by Physicians Liability Insurance Company; File No. 06-1541-PRJ.

2004

March 26, 2004 Notice of Hearing In the Matter of the Medical Malpractice Professional Liability Rate Filing by The Medical Protective Company; File No. 04-0215-PRJ.

March 18, 2004 Order of Presentation In the Matter of the Medical Malpractice Professional Liability Rate Filing by Medical Protective Company; File No. 04-0215-PRJ.

April 6, 2004 Final Order In the Matter of the Medical Malpractice Professional Liability Rate Filing by Medical Protective Company; File No. 04-0215PRJ.

October 28, 2004 Final Order in the Matter of the Rate Filing by NCMIC Insurance Company; File No. 04-1243-PRJ.

2003

November 21, 2003 Final Order In the Matter of the Medical Malpractice Professional Liability Rate Filing by Physicians Liability Insurance Company; File No. 03-1242PRJ.

November 18, 2003 Notice of Hearing In the Matter of the Medical Malpractice Professional Liability Rate Filing by Physicians Liability Insurance Company; File No. 03-1242 PRJ

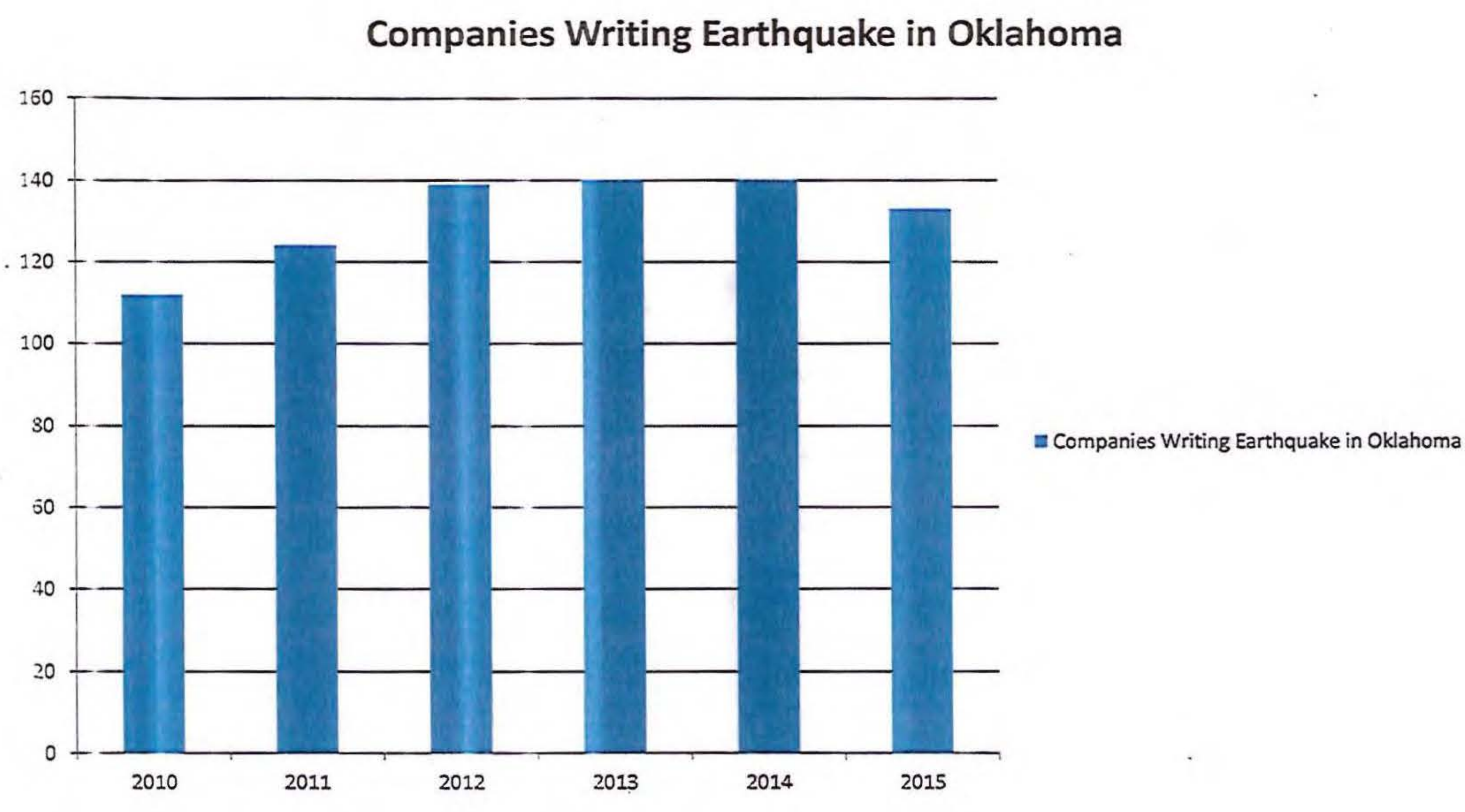
November 14, 2003 Order of Presentation In the Matter of the Medical Malpractice Professional Liability Rate Filing by Physicians Liability Insurance Company; File No. 03-1242PRJ.

PETITIONER'S EXHIBIT 2

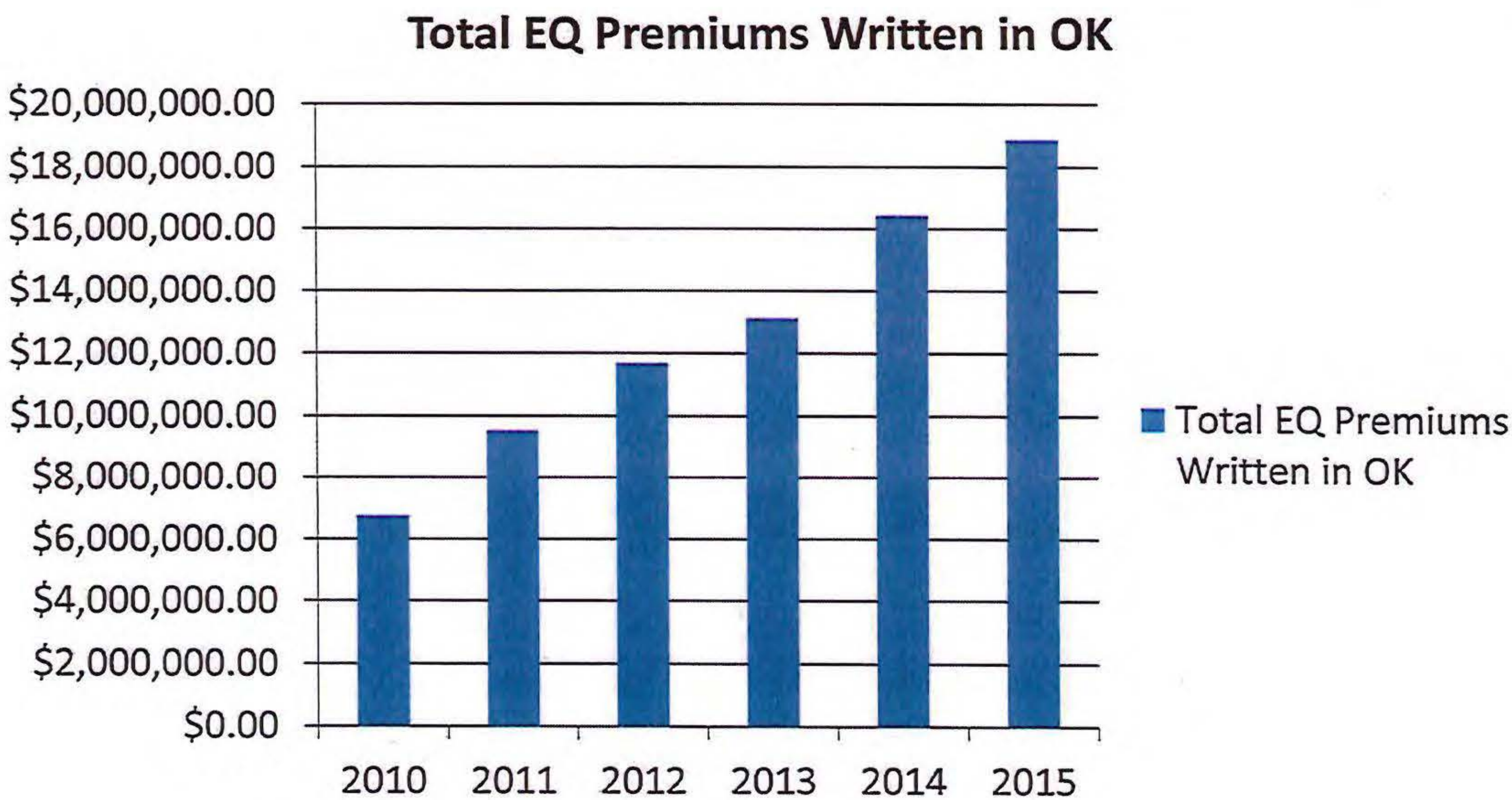
Oklahoma Earthquake Claims and Market Share Premium Data

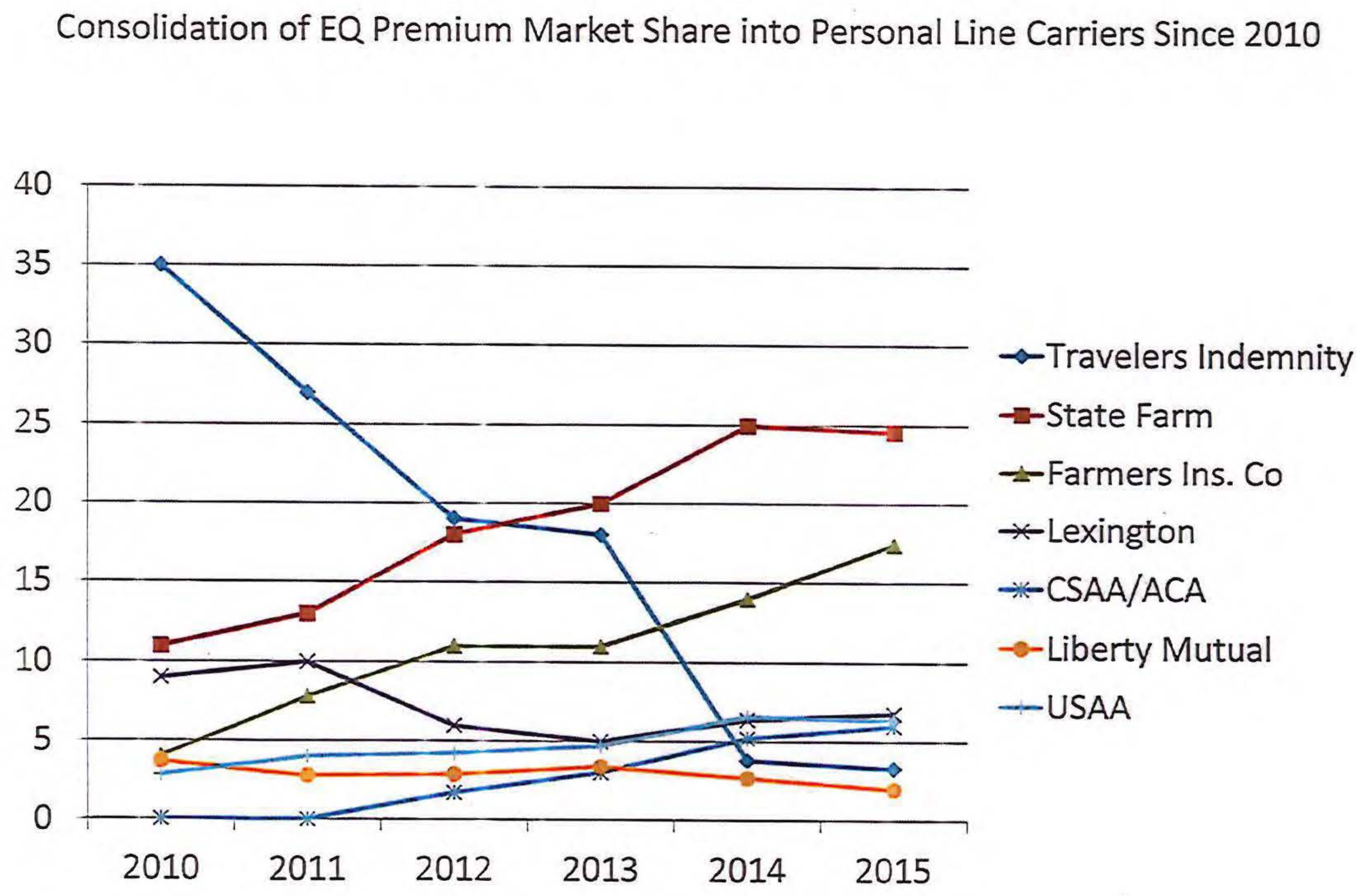
2010 to Present

PETITIONER'S EXHIBIT 3

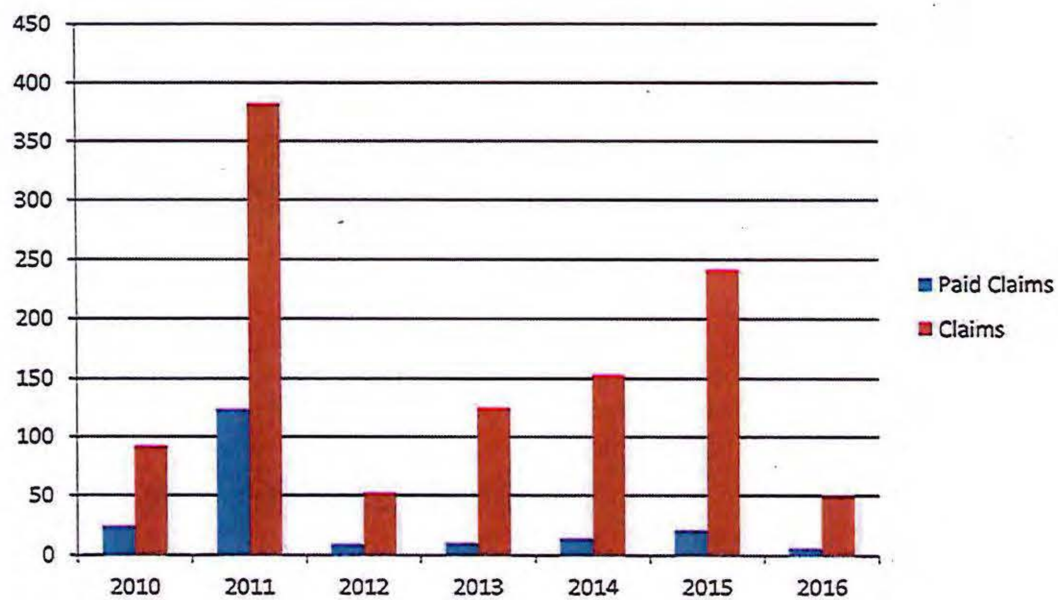

Companies Writing Earthquake in Oklahoma
160
140
120
100
80
60
40
20
0
2010
2011
2012
2013
2014
2015
Companies Writing Earthquake in Oklahoma

EQ Premiums in OK 2010 to 2015



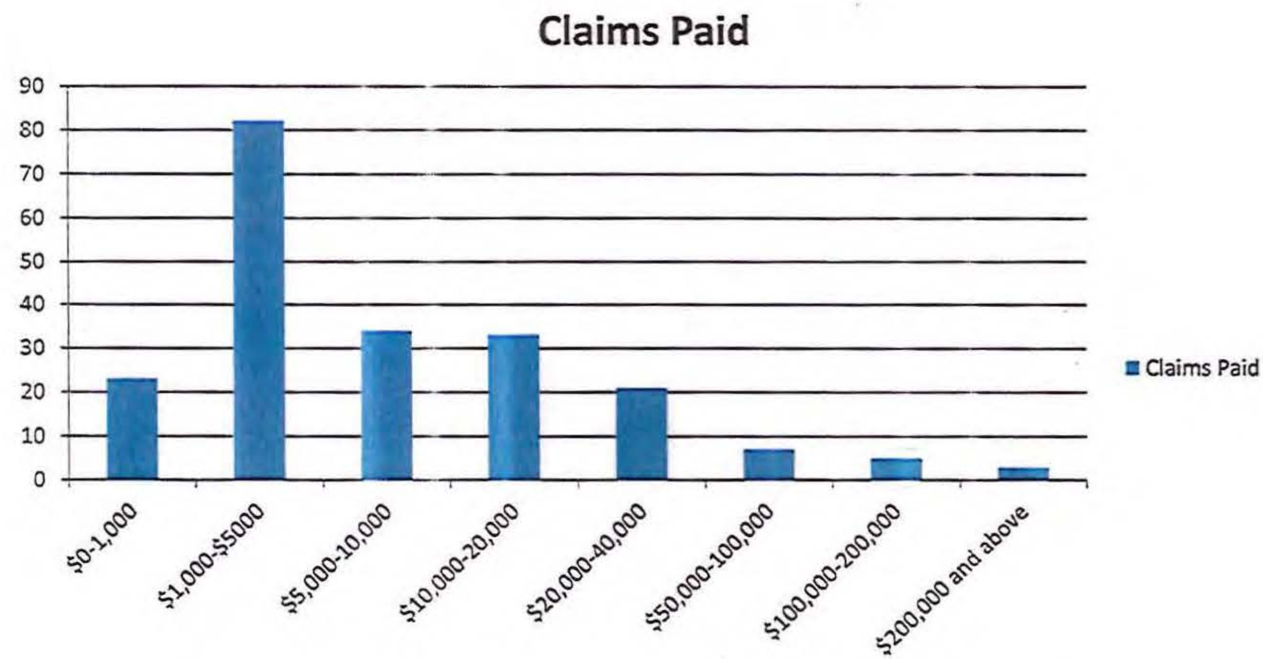

Consolidation of EQ Premium Market Share into Personal Line Carriers Since 2010
40
35
30
25
20
15
10
5
0
2010
2011
2012
2013
2014
2015
Travelers Indemnity
State Farm
Farmers Ins. Co
Lexington
CSAA/ACA
Liberty Mutual
USAA

OK Personal Lines Earthquake Claims 2010 to Present

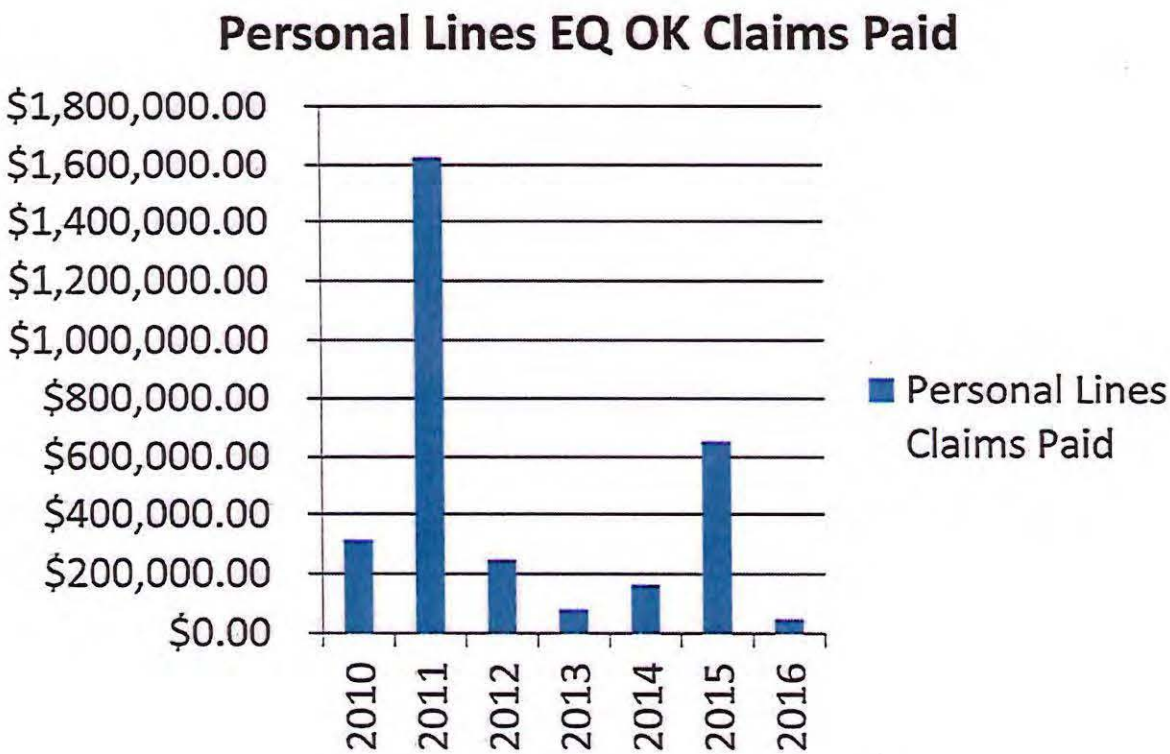


- Out of a total of 1094 claims, only 208 were paid or approximately 19%
- 2011 experienced the most claim activity

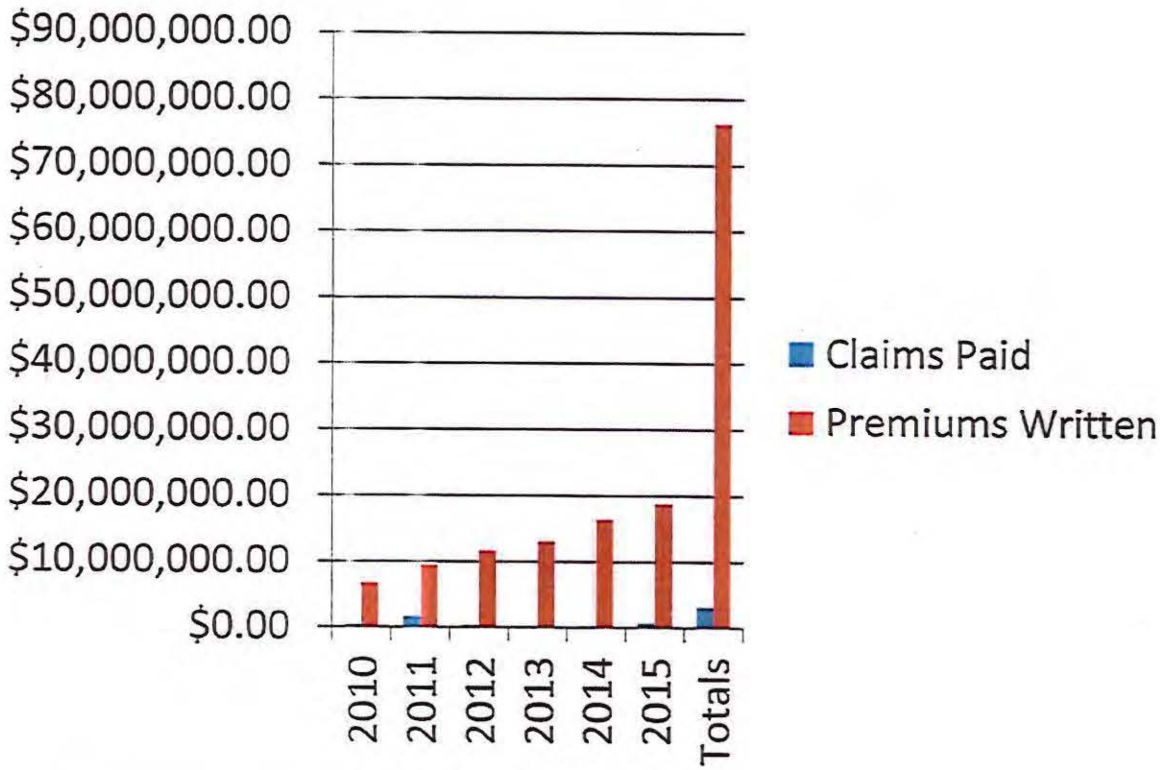
Personal Lines Earthquake Claims Paid



•Approximately half of the 208 paid claims resulted in payments of less than $5,000



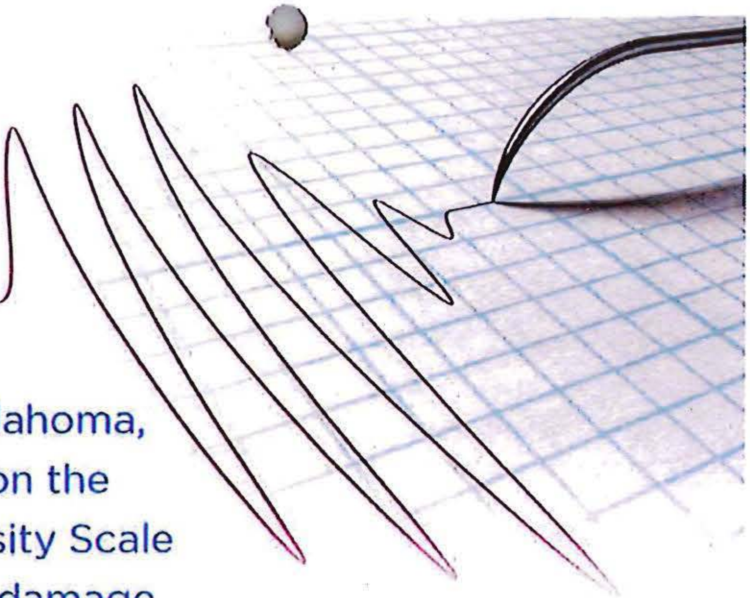
Top 1% of Highest and Lowest Paid claims removed for statistical relevance



Total Claims Paid 2010 to 2015: $3,081,406
Total Premiums Written 2010 to 2015: $76,373,494

Key Points

- Claim frequency peaked in 2011
- Market concentration has significantly increased into a handful of personal lines Earthquake carriers
- Current Pure Direct Loss Ratio for all Earthquake Carriers in OK since 2010 is approx. 3%
- Premiums written have far exceeded claims paid
- Paid claims have not shown a trend of severity in OK

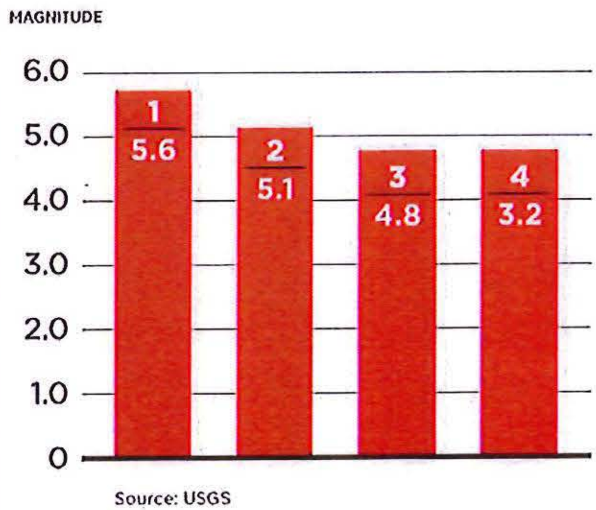


OKLAHOMA EARTHQUAKES

While there are hundreds of earthquakes every year in Oklahoma, they are rarely large enough on the USGS Modified Mercalli Intensity Scale to cause significant property damage.

Oklahoma has had only 2 earthquakes in the past 5 years above 5.0 magnitude, which is the typical threshold for causing property damage according to USGS Modified Mercalli Intensity Scale.

TOP 4 EARTHQUAKES IN OKLAHOMA; PAST 5 YEARS



Source: USGS

1 **Nov. 6, 2011 | 5.6 magnitude**
2.1 miles SW of Wilzetta

2 **Feb. 13, 2016 | 5.1 magnitude**
19.3 miles NW of Fairview

3 **Nov. 5, 2011 | 4.8 magnitude**
1.6 miles W of Wilzetta

4 **Nov. 8, 2011 | 3.2 magnitude**
3.2 miles SW of Wilzetta

continued on back

EXHIBIT
4

PCI
Property Casualty Insurers Association of America
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HOW DO YOU MEASURE THE INTENSITY OF EARTHQUAKES?

The table on the right gives intensities that are typically observed at locations near the epicenter of earthquakes of different magnitudes.

MAGNITUDE	TYPICAL MAXIMUM MODIFIED MERCALLI INTENSITY
1.0 — 3.0	I
3.0 — 3.9	II — III
4.0 — 4.9	IV — V
5.0 — 5.9	VI — VII
6.0 — 6.9	VII — IX
7.0 and higher	VIII or higher

Abbreviated Modified Mercalli Intensity Scale

I. Not felt except by a very few under especially favorable conditions.

II. Felt only by a few persons at rest, especially on upper floors of buildings.

III. Felt quite noticeably by persons indoors, especially on upper floors of buildings. Many people do not recognize it as an earthquake. Standing motor cars may rock slightly. Vibrations similar to the passing of a truck. Duration estimated.

IV. Felt indoors by many, outdoors by few during the day. At night, some awakened. Dishes, windows, doors disturbed; walls make cracking sound. Sensation like heavy truck striking building. Standing motor cars rocked noticeably.

V. Felt by nearly everyone; many awakened. Some dishes, windows broken. Unstable objects over-turned. Pendulum clocks may stop.

VI. Felt by all, many frightened. Some heavy furniture moved; a few instances of fallen plaster. Damage slight.

VII. Damage negligible in buildings of good design and construction; slight to moderate in well-built ordinary structures; considerable damage in poorly built or badly designed structures; some chimneys broken.

VIII. Damage slight in specially designed structures; considerable damage in ordinary substantial buildings with partial collapse. Damage great in poorly built structures. Fall of chimneys, factory stacks, columns, monuments, walls. Heavy furniture overturned.

IX. Damage considerable in specially designed structures; well-designed frame structures thrown out of plumb. Damage great in substantial buildings, with partial collapse. Buildings shifted off foundations.

X. Some well-built wooden structures destroyed; most masonry and frame structures destroyed with foundations. Rails bent.

XI. Few, if any (masonry) structures remain standing. Bridges destroyed. Rails bent greatly.

XII. Damage total. Lines of sight and level are distorted. Objects thrown into the air.

Source: United States Geological Survey's (USGS) Earthquake Hazards Program

BEFORE THE INSURANCE COMMISSIONER OF THE STATE OF OKLAHOMA

FILED

JUN 06 2016

INSURANCE COMMISSIONER OKLAHOMA

STATE OF OKLAHOMA, ex rel. JOHN D. DOAK, Insurance Commissioner,	)	
To	)	**Case No. 16-0391-TRN**
All Licensed Property and Casualty Insurers Offering Earthquake Insurance in the State of Oklahoma, Advisory Organizations	)	

ORDER IN RE: EARTHQUAKE INSURANCE RATES

JURISDICTION

1. John D. Doak is the Insurance Commissioner of the State of Oklahoma and as such is charged with the duty of administering and enforcing all provisions of the Oklahoma Insurance Code, 36 O. S. §§ 101- 7301.

2. Effected by this Order are licensed insurers ("insurers") offering earthquake insurance covering property located in the State of Oklahoma.

3. The Insurance Commissioner is responsible for enforcing the provisions of the Insurance Code.

4. The Competitive Loss Cost Rating Act (36 O.S. §§ 981-999) ("Rating Act") regulates the filing and use of earthquake insurance rates the State of Oklahoma.

5. In a competitive market, as defined in § 982 of the Rating Act, insurers are permitted to use insurance rates as long as such rates and supplementary rate information are filed with the Commissioner within thirty (30) days following the effective date of the filing.

EXHIBIT 5

6. A competitive market is presumed to exist for a line of insurance unless the Commissioner, after a hearing, issues an order stating that a reasonable degree of competition does not exist in the market.

7. On April 19, 2016, notice was given to all property and casualty insurers and advisory organizations of a hearing pursuant to 36 O.S. § 984 (A) would be held at the Oklahoma Insurance Department, 3624 N.W. 56th St., Ste. 100, Oklahoma City, OK 73112, at 8:00 a.m. on May 24, 2016.

8. On May 24, 2016, at 8:00 a.m., hearing was convened by the Commissioner at the Oklahoma Insurance Department, 3624 N.W. 56th St., Ste. 100, Oklahoma City, OK 73112, at 8:00 a.m. to determine whether the rates for earthquake insurance in Oklahoma were not competitive.

FINDINGS OF FACT

1. Oklahomans have experienced a high volume of earthquakes 2013, 2014 and 2015.

2. The Commissioner has received many inquiries and statements of concern from the public regarding the cost v. benefit of earthquake insurance.

3. In early 2016, the United States Geological Society released a map that purports to show an increased risk of earthquake damage in central and north central Oklahoma.

4. The Commissioner has recently received several filings by insurers seeking to increase the cost and decrease the availability of earthquake coverage.

5. Insurers making such filings have not substantiated their need for increased rates based on objective criteria, such as adverse experience, increased acquisition expense or cost of reinsurance thereby raising the distinct possibly that such rates are excessive.

6. The number of insurers writing earthquake coverage is 119.

7. The majority of earthquake insurance is written as an endorsement to homeowners insurance policies.

8. The market share of the four largest writers of earthquake insurance carriers has exceeded 50% at all times over the six years preceding December 31, 2015.

9. The concentration of the market and the reticence of consumers to lose "package discounts" constitutes an economic barrier that could prevent new firms from entering the market.

10. The long-term profitability for insurers in the market is evidenced by an average loss ratio over the six years preceding December 31, 2015 of approximately 3% is unreasonable.

11. The relationship of insurers' costs to revenue over the six years preceding December 31, 2015 demonstrates that current rates appear to be excessive.

ORDER

IT IS THEREFORE ORDERED that based upon the forgoing findings, a reasonable degree of competition does not exist in the market for earthquake insurance, and such insurance is designated as a noncompetitive line of insurance.

WITNESS My Hand and Official Seal this 6th day of June, 2016.

John D. Doak

JOHN D. DOAK
INSURANCE COMMISSIONER
STATE OF OKLAHOMA

CERTIFICATE OF MAILING

I, John D. Doak, hereby certify that a true and correct copy of the above and foregoing Order was mailed by electronic mail, on this 6th day of June 2016, to:

All licensed property and casualty insurers issuing earthquake insurance in the State of Oklahoma.