



GENTNER DRUMMOND
ATTORNEY GENERAL

April 17, 2026

Via Email

The Honorable Glen Mulready
Oklahoma Insurance Commissioner
Glen.Mulready@oid.ok.gov

Re: Hearing Request

Dear Commissioner Mulready:

As a follow-up to our recent conversation regarding the need for a hearing on competition in the Oklahoma homeowners' insurance market, please accept this correspondence as my formal request for a hearing pursuant to 36 O.S. § 984 to determine whether a reasonable degree of competition exists. Your agreement in our conversation to hold this hearing is an important first step in protecting Oklahoma insurance consumers from increasingly harmful rate increases. We will work with you to set a mutually agreeable date and time.

As the chief law officer of this state, I have a statutory duty to represent and protect the collective interests of insurance consumers of this state in rate-related proceedings before the Insurance Commissioner, and I make this request on behalf of Oklahoma consumers whom I believe have been harmed by the unprecedented rise in homeowners' insurance rates. 74 O.S. § 18b(21); OAC 365:1-7-1(a). Oklahoma law requires that a determination regarding whether a reasonable degree of competition exists be made only after consideration of the statutory factors in a hearing setting. The Office of the Attorney General will participate fully in such a hearing and will present evidence demonstrating that a reasonable degree of competition does not exist in the Oklahoma homeowners' insurance market.

The governing statute, 36 O.S. § 984, directs that the analysis focus on the actual structure and performance of the market, not merely the number of licensed insurers. Although many insurers are authorized to write coverage, a relatively small number are actively engaged in writing a substantial share of homeowners' policies. In practice, the market is dominated by a limited group of insurers, and the existence of numerous licensed entities does not translate into meaningful competition.

Market share data further confirm this dynamic. A small group of leading insurers controls a dominant portion of premiums, and the leading insurer maintains a substantial and growing advantage over its nearest competitors. The gap between the market shares of the largest and second largest insurers has widened over time, reflecting increasing concentration rather than

competitive balance. This trend is inconsistent with a market in which firms are constrained by competitive pressures.

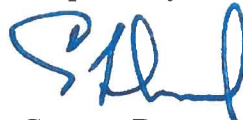
Measures of concentration, even when viewed conservatively, indicate at least moderate concentration, and those measures likely understate the true level of concentration given the extent of coordinated pricing inputs and parallel market behavior. The structure of the market therefore reflects limited competition in both form and function.

Market performance provides additional confirmation. Over a sustained period, insurers in Oklahoma have realized underwriting profits that significantly exceed the national average for comparable lines of business. Persistent above-average profitability is not consistent with a market in which competition is effectively constraining rates.

The relationship between costs and revenue further supports this conclusion. Premiums have increased substantially over time, while loss experience and cost trends do not fully account for the magnitude of those increases. The resulting gap between costs and revenue is reflected in elevated profitability, further indicating this factor does not weigh in favor of the existence of a competitive market.

My office will present evidence addressing each of the statutory factors to demonstrate that a reasonable degree of competition does not exist in the Oklahoma homeowners' insurance market. Under these circumstances, a formal determination must be made based on a full evidentiary record developed through a hearing. Accordingly, I request that you convene a hearing to evaluate the statutory factors governing competition and to determine whether a reasonable degree of competition exists. Only through such a proceeding can we ensure that the interests of Oklahoma consumers are adequately protected.

Respectfully,



Gentner Drummond
Attorney General



GENTNER DRUMMOND
ATTORNEY GENERAL

May 21, 2026

Via Email

The Honorable Glen Mulready
Oklahoma Insurance Commissioner
Glen.Mulready@oid.ok.gov

Dear Commissioner Mulready:

On April 17, 2026, I delivered to you a written demand for a hearing under 36 O.S. § 984 to determine whether a reasonable degree of competition exists in Oklahoma's homeowners insurance market. More than thirty days have now elapsed. On May 20, 2026, your office sent correspondence stating that a hearing would be set, but not until early September. That delay is directly in violation of your own rules, and it serves only to maintain a status quo in which Oklahomans pay some of the highest homeowners insurance rates in the country. Oklahomans deserve to know why their rates are so high. The Legislature has charged this Office, under 74 O.S. § 18b(A)(22), with the duty to represent and protect Oklahoma's insurance consumers. On their behalf, I demand that the matter be set for hearing on or before June 5, 2026.

OAC 365:1-7-1(b) is mandatory: "Upon receipt of a written demand for a hearing as outlined in (a) of this Section, the Insurance Commissioner 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." The Department's longstanding interpretation of the rule allows two options: to hold the hearing date within thirty days of the request or issue an order denying a hearing within thirty days. The Department did not follow the rule with respect to my April 17 demand. There is no credible basis for delaying the homeowners hearing until September. Nor does the recently enacted file-and-use law justify the delay. An order under § 984 does not set rates, it determines only that a reasonable degree of competition does not exist, leaving insurers to file new rates under the file-and-use law. The bill's effective date is therefore no reason to wait.

The proposed delay is especially troubling because the Department has already prejudged the very question the hearing is meant to decide and has shown itself unwilling to let any party present evidence to carry its burden. Section 984 requires that competitiveness be determined after a hearing, on findings of fact and conclusions of law. 36 O.S. § 984(A), (B)(2). Yet the Department has announced its conclusion repeatedly and in advance. The April 7, 2026, order in *In re Bob Sullivan* contains formal Conclusions of Law that "the Oklahoma homeowners insurance market

is competitive.” Your January 7, 2026, public statement was headlined that economic indicators “show” the market “is competitive.” Your May 20 letter reaffirms “the analysis and data showing the homeowners market is competitive.” And in announcing the September hearing you again “stand by [your] position that we have a competitive market for homeowners insurance coverage.” Worse, the *Sullivan* order denied Mr. Sullivan a hearing for lack of standing and then, in the same order, found that he had failed to carry his burden of proof, an unlawful result because he was never afforded the hearing at which to meet it. Tellingly, your May 20, 2026, press release frames the hearing as deciding whether “a reasonable degree of concentration” exists, but § 984 asks about competition. Concentration is a single antitrust metric used to screen mergers, not the multi-factor measure of competition the statute requires, and the Department has confused the two. The Department compounds the error by applying even that metric incorrectly.

To argue that I am not an aggrieved person under the rule, and that it therefore does not apply, misunderstands the capacity in which I have made this request. OAC 365:1-7-1(a) permits a hearing upon written demand by “any person aggrieved by any act, threatened act, or failure to act of the Insurance Commissioner.” Insurance consumers whose rates or regulatory protections are affected by the Commissioner’s conduct, or failure to act, qualify as persons aggrieved within the meaning of the rule. A written demand submitted by the Attorney General under 74 O.S. § 18b(A)(22) is made on behalf of those aggrieved consumers and, as their statutorily authorized representative, constitutes a demand by the aggrieved persons themselves. The directive under § 18b(A)(22) is to “represent” and “protect.” A hearing request by the Attorney General should therefore be treated identically to one made by an aggrieved consumer, as the statute treats the Attorney General as the consumers’ statutorily appointed counsel. *See In re Application of Okla. Dev. Fin. Auth.*, 2022 OK 41 (Combs, J. concurring).

The April 17 letter satisfied every element of subsection (a). It was a written demand, addressed to the Insurance Commissioner, concerning a matter plainly within his jurisdiction under the Insurance Code, made as the legal representative of Oklahoma insurance consumers harmed by rising rates, and specifying the grounds relied upon, including each of the factors set forth in 36 O.S. § 984. In form and in substance, it is a written demand for hearing on behalf of aggrieved insurance consumers within the meaning of OAC 365:1-7-1(a).

To remedy this clear violation of law, I request that the hearing be set on or before June 5, 2026. If the matter is not set for hearing by that date, I will pursue all available legal remedies to ensure compliance with 36 O.S. § 984 and OAC 365:1-7-1 for the protection of Oklahoma insurance consumers. My preference, of course, is to proceed promptly to the merits of the issues raised in my April 17 letter.

Respectfully,



GENTNER DRUMMOND
Attorney General