STATE OF OKLAHOMA

1st Session of the 45th Legislature (1995)

CONFERENCE COMMITTEE SUBSTITUTE
FOR ENGROSSED
SENATE BILL NO. 577 By: Smith of the Senate

and

Benson of the House

CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to bail bond licensing; amending 59 O.S. 1991, Sections 1305, as amended by Section 3, Chapter 98, O.S.L. 1992, 1308, as amended by Section 4, Chapter 98, O.S.L. 1992, 1310, 1317, 1332, as last amended by Section 4, Chapter 331, O.S.L. 1994 and 1750.5, as amended by Section 1, Chapter 63, O.S.L. 1993 (59 O.S. Supp. 1994, Sections 1305, 1308, 1332 and 1750.5), which relate to bail bonds; modifying provisions related to applications; modifying continuing education requirement; modifying provisions related to causes for suspension, denial, revocation or refusal to renew licenses; modifying terminology; providing additional grounds for actions upon licenses based upon failure to pay certain travel expenses; modifying provisions related to lists of surety bondsmen; providing for duration of appointments; prescribing procedures related to changes in liability limitations; prescribing procedures related to bond forfeiture and bond exoneration; allowing forfeiture and exoneration of bonds under certain circumstances; prescribing procedures related thereto; adding statutory reference; deleting certain requirement for issuance of certain license; and providing an effective date.

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

SECTION 1. AMENDATORY 59 O.S. 1991, Section 1305, as amended by Section 3, Chapter 98, O.S.L. 1992 (59 O.S. Supp. 1994, Section 1305), is amended to read as follows:

Section 1305. A. The application for license to serve as a bail bondsman must affirmatively show~~: Applicant is~~ <u>that the applicant:</u>

<u>1. Is</u> a person who has reached the age of twenty-one (21) years;

2. Is of good character and reputation;

3. Has not been previously convicted of, or ~~during the time of sentence which is received for a plea of~~ pled guilty or nolo contendere to, a felony or a misdemeanor involving moral turpitude; ~~is~~

4. Is a citizen of the United States~~, and has~~;

5. Has been a bona fide resident of the state for at least one (1) year~~, will~~;

6. Will actively engage in the bail bond business~~,~~; and ~~has~~

7. Has knowledge~~,~~ or experience, or has received instruction in the bail bond business.

B. The applicant shall apply in writing on forms prepared and supplied by the Insurance Commissioner, and the Commissioner may propound any reasonable interrogatories to an applicant for a license under this act, Section 1301 et seq. of this title, or on any renewal thereof, relating to ~~his~~ qualifications, residence, prospective place of business and any other matters which, in the opinion of the Commissioner, are deemed necessary or expedient in order to protect the public and ascertain the qualifications of the applicant. The Commissioner may also conduct any reasonable inquiry or investigation ~~he sees fit,~~ relative to the determination of the applicant's fitness to be licensed or to continue to be licensed.

C. ~~Applicant~~ An applicant shall furnish to the Commissioner a license fee of Two Hundred Fifty Dollars ($250.00) with ~~his~~ the application, a complete set of ~~his~~ the applicant's fingerprints and two recent credential-size full face photographs of ~~himself~~ the applicant. The applicant's fingerprints shall be certified by an authorized law enforcement officer. The applicant shall provide with the application an investigative fee of One Hundred Dollars ($100.00) with which the Commissioner will conduct an investigation of the applicant. All fees shall be nonrefundable.

D. Failure of the applicant to secure approval of the Commissioner shall not preclude ~~him~~ the applicant from reapplying a second time, but a second application shall not be considered by

the Commissioner within three (3) months subsequent to the date upon which the Commissioner denied the last application.

SECTION 2. AMENDATORY 59 O.S. 1991, Section 1308, as amended by Section 4, Chapter 98, O.S.L. 1992 (59 O.S. Supp. 1994, Section 1308), is amended to read as follows:

Section 1308. A. The applicant for bail bondsman shall be required to appear in person and take a written examination prepared by the Insurance Commissioner, testing ~~his~~ the applicant's ability and qualifications to be a bail bondsman. Applications are valid for six (6) months after ~~their~~ submission. If an applicant has not acted upon ~~his~~ the application within that period, a new application and fees shall be submitted for the applicant to be considered for licensure.

B. Each applicant shall become eligible for examination ninety (90) days after the date the application is received by the Commissioner, if the applicant has completed ~~twenty (20)~~ sixteen (16) hours of education as required by Section 1308.1 of this title and the Commissioner is otherwise satisfied as to the applicant's fitness to take the examination. Examinations shall be held at ~~such~~ times and places as designated by the Commissioner, and the applicant shall be given notice of ~~such~~ the time and place not less than fifteen (15) days prior to taking the examination.

C. The fee for ~~such~~ the examination shall be One Hundred Dollars ($100.00) in addition to the license fee heretofore provided and shall be submitted after approval of the application but prior to taking the examination. Results will be mailed to the applicant within thirty (30) days after the applicant is examined.

D. The failure of an applicant to pass an examination shall not preclude ~~him~~ the applicant from taking subsequent examinations; provided, however, that at least three (3) months must intervene between examinations~~. Provided~~; and provided further, after ~~the~~ a third ~~and~~ or subsequent examination ~~failures~~ failure, an applicant may not apply and be examined for at least one (1) year after the last examination failure.

SECTION 3. AMENDATORY 59 O.S. 1991, Section 1310, is amended to read as follows:

Section 1310. A. The Insurance Commissioner may deny, censure, suspend, revoke, or refuse to renew any license issued under Section 1301 et seq. of this title for any of the following causes:

1. For any cause for which issuance of the license could have been refused had it then existed and been known to the Commissioner;

2. Violation of any laws of this state or any lawful rule, regulation, or order of the Commissioner relating to bail in the course of dealing under the license issued ~~him~~ by the Commissioner;

3. Material misstatement, misrepresentation, or fraud in obtaining the license;

4. Misappropriation, conversion, or unlawful withholding of monies or property belonging to insurers, insureds, or others and received in the conduct of business under the license;

5. Conviction of, or ~~during the time of sentence which is received for a~~ having entered a plea of guilty or nolo contendere to, a felony or a misdemeanor involving moral turpitude;

6. Fraudulent or dishonest practices in ~~the conduct of~~ conducting business under the license;

7. Failure to comply with, or violation of any proper order, rule, or regulation of the Commissioner;

8. Recommending any particular attorney-at-law to handle ~~the~~ a case in which the bail bondsman has caused a bond to be issued under the terms of Section 1301 et seq. of this title;

9. When, in the judgment of the Commissioner, the licensee has, in the conduct of affairs under the license, demonstrated incompetency, or untrustworthiness, or conduct or practices rendering ~~him~~ the licensee unfit to carry on the bail bond business or making ~~his~~ continuance in ~~such~~ the business detrimental to the public interest, or that ~~he~~ the licensee is no longer in good faith carrying on the bail bond business, or that ~~he~~ the licensee is guilty of rebating, or offering to rebate, or

dividing with someone other than a licensed bail bondsman, or offering to divide ~~his~~ commissions in the case of limited surety agents, or premiums in the case of professional bondsmen, and for ~~such reasons~~ this conduct is found by the Commissioner to be a source of detriment, injury, or loss to the public;

10. For any materially untrue statement in the license application;

11. Misrepresentation of the terms of any actual or proposed bond;

12. For forging the name of another to a bond or application for bond;

13. Cheating on an examination for licensure;

14. Soliciting business in or about any place where prisoners are confined, arraigned or in custody;

15. For paying a fee or rebate, or giving or promising anything of value to a jailer, trustee, police officer, or officer of the law, or any other person who has power to arrest or hold in custody, or to any public official or public employee in order to secure a settlement, compromise, remission, or reduction of the amount of any bail bond or estreatment thereof, or to secure delay or other advantage. This shall not apply to a jailer, police officer, or officer of the law who is not on duty and who assists in the apprehension of a defendant;

16. For paying a fee or rebating or giving anything of value to an attorney in bail bond matters, except in defense of any action on a bond;

17. For paying a fee or rebating or giving or promising anything of value to the principal or anyone in ~~his~~ the principal's behalf;

18. Participating in the capacity of an attorney at a trial or hearing of one on whose bond ~~he~~ the licensee is surety;

19. Accepting anything of value from a principal, other than the premium~~. Provided~~; provided, the bondsman shall be permitted to accept collateral security or other indemnity from the principal which shall be returned immediately upon final termination of liability on the bond. ~~Such collateral~~ Collateral

security or other indemnity required by the bondsman shall be reasonable in relation to the amount of the bond;

20. Willful failure to return collateral security to the principal when the principal is entitled thereto;

21. For failing to notify the Commissioner of a change of address, as noted on the license, within five (5) days after ~~such~~ a change is made, or failing to respond to a properly mailed notification within a reasonable amount of time;

22. For failing to file a report as required by Section 1314 of this title;

23. For filing a materially untrue monthly report;

24. For filing false affidavits regarding cancellation of the appointment of an insurer;

25. Forcing the Commissioner to withdraw deposited monies to pay forfeitures or any other outstanding judgments;

26. For failing to pay any fees to a district court clerk as are required by this title or failing to pay any fees to a municipal court clerk as are required by this title or by Section 28-127 of Title 11 of the Oklahoma Statutes; ~~and~~

27. For uttering an insufficient check to the Insurance Commissioner for any fees, fines or other payments received by the Commissioner from the bail bondsman; and

28. For failing to pay travel expenses for the return of the defendant to custody once having guaranteed the expenses pursuant to the provisions of subparagraph d of paragraph 3 of subsection C of Section 1332 of this title.

B. In addition to, or in lieu of, any applicable denial, censure, suspension or revocation of a license, any person violating any provisions of Sections 1301 et seq. of this title may be subject to a civil fine of not less than One Hundred Dollars ($100.00) nor more than One Thousand Dollars ($1,000.00) for each occurrence. ~~Such~~ This fine may be enforced in the same manner in which civil judgments may be enforced.

C. No bail bondsman or bail bond agency shall advertise as or hold itself out to be a surety company.

D. If any bail bondsman is convicted by any court of a violation of any of the provisions of this act, the license of ~~such~~ the individual shall therefore be deemed to be immediately revoked, without any further procedure relative thereto by the Commissioner.

E. The Commissioner shall retain jurisdiction for one (1) year after notification of an alleged violation as to any person who cancels ~~his~~ a bail bondsman's license or allows ~~said~~ a license to lapse, if the alleged violation occurred while the person was licensed as a bondsman. Notice and hearing shall be conducted in the same manner as if the person still maintained a bondsman's license. If the Commissioner determines that a violation of the provisions of Sections 1301 through 1340 of this title occurred, any order issued by the Commissioner pursuant to ~~said~~ the determination may become a permanent record in the file of the person and may be used if ~~such~~ the person should request relicensure or reinstatement.

F. Any law enforcement agency, district attorney's office, court clerk's office, or insurer that is aware that a licensed bail bondsman has been convicted of a felony, or a crime involving moral turpitude, or has pleaded guilty or nolo contendere to a crime as aforementioned, shall notify the Insurance Commissioner of ~~said~~ that fact.

SECTION 4. AMENDATORY 59 O.S. 1991, Section 1317, is amended to read as follows:

Section 1317. A. ~~Every surety shall annually, prior to the last day of December, furnish the Insurance Commissioner a list of all surety bondsmen or managing general agents appointed by it to write bail bonds on its behalf.~~ Every ~~such~~ surety who ~~subsequently~~ appoints a surety bondsman or managing general agent in the state, shall give notice thereof to the Commissioner ~~and, if an applicant, a written application for license for said bondsman or agent. All such appointments shall be subject to the issuance of a license to such surety bondsman or managing general agent~~. The filing fee for appointment of each surety bondsman or managing general agent shall be ~~Five Dollars ($5.00)~~ Ten Dollars

($10.00), payable to the Commissioner and shall be submitted with the appointment. The appointment shall remain in effect until the surety submits a notice of cancellation to the Commissioner. If the surety changes the liability limitations of the surety bondsman or the managing general agent, or any other provisions of the appointment, the surety shall submit an amended appointment form and a filing fee of Ten Dollars ($10.00) payable to the Commissioner.

B. A surety terminating the appointment of a surety bondsman or managing general agent immediately shall file written notice thereof with the Commissioner, together with a statement that it has given or mailed notice to the surety bondsman or managing general agent. ~~Such~~ The notice filed with the Commissioner shall state the reasons, if any, for ~~such~~ the termination.

C. Prior to issuance of a new surety appointment for a surety bondsman or managing general agent, the bondsman or agent shall file an affidavit with the Commissioner stating that no premiums are owed to any insurer. This provision shall not require that all outstanding liabilities have been exonerated, but may provide that ~~such~~ the liabilities are still being monitored by the bondsman or agent.

D. Every bail bondsman who negotiates and posts a bond shall, in any controversy between the defendant, indemnitor, or guarantor and the bail bondsman or ~~his~~ surety, be regarded as representing the surety. This provision shall not affect the apparent authority of a bail bondsman as an agent for the insurer.

SECTION 5. AMENDATORY 59 O.S. 1991, Section 1332, as last amended by Section 4, Chapter 331, O.S.L. 1994 (59 O.S. Supp. 1994, Section 1332), is amended to read as follows:

Section 1332. A. If there is a breach of ~~the~~ an undertaking, the court before which the cause is pending shall declare the undertaking and any money, property or securities that have been deposited as bail, forfeited on the day the defendant failed to appear. In the event of the forfeiture of a bail bond the clerk of the trial court shall, within thirty (30) days after the forfeiture, by mail with return receipt requested, mail a true and

correct copy of the order and judgment ~~or~~ of forfeiture to the bondsman, and if applicable, the insurer, whose risk it is, and keep at least one copy of the order and judgment of forfeiture on file.

B. The order and judgment of forfeiture shall be on forms prescribed by the Administrative Director of the Courts.

C. 1. The bail bondsman shall have ninety (90) days from receipt of the order and judgment of forfeiture from the court clerk or mailing of the notice if no receipt is made, to return the defendant to custody.

2. When the court record indicates that the defendant is returned to custody in the jurisdiction where forfeiture occurred, within the ninety-day period, the court clerk shall enter a minute vacating the forfeiture ~~shall be vacated by an order of the court before which the cause is pending~~ and exonerating the bond. If the defendant has been timely returned to custody, but this is not reflected by the court record, the court shall vacate the forfeiture and exonerate the bond.

3. For the purposes of this section, return to custody shall mean:

a. the return of the defendant to the appropriate Oklahoma law enforcement agency by the bondsman,

b. an appearance of the defendant in open court in the court where ~~he was~~ charged,

c. arrest or incarceration within ~~Oklahoma~~ this state of the defendant by law enforcement personnel, or

d. arrest or incarceration of the defendant in any other jurisdiction, provided the bondsman has requested that a hold be placed on the defendant in the jurisdiction wherein the forfeiture lies, and has guaranteed reasonable travel expenses for the return of the defendant.

4. In addition to the provisions set forth in paragraphs 2 and 3 of this subsection, the court may vacate the forfeiture and exonerate the bond in any felony case in which:

a. the bondsman has requested in writing of the sheriff's department in the county where the forfeiture occurred that the defendant be entered into the computerized records of the National Crime Information Center, and

b. the request has not been honored within thirty (30) business days of the receipt of the written request by the department.

5. The court may, in its discretion, vacate the order of forfeiture and exonerate the bond where good cause has been shown for:

a. the defendant's failure to appear, or

b. the bondsman's failure to return the defendant to custody within the required ninety (90) days.

D. 1. If, within ninety (90) days from receipt of the order and judgment of forfeiture from the court clerk, or mailing of the notice if no receipt is made:

a. the defendant is not returned to custody, or

b. the forfeiture has not been stayed,

the bondsman and if applicable, the insurer, whose risk it is, shall deposit cash or other valuable securities in the face amount of the bond with the court clerk ninety-one (91) days from receipt of the order and judgment of forfeiture from the court clerk, or mailing of the notice if no receipt is made~~. Provided~~; provided, this provision shall not apply if the defendant has been returned to custody within ~~said~~ the ninety-day period and the court has failed to vacate the forfeiture pursuant to ~~paragraph~~ paragraphs 2 through 5 of subsection C of this section.

2. After the order and judgment has been paid, the bondsman and if applicable, the insurer, whose risk it is, may file a motion for remitter within one hundred eighty (180) days from receipt of the order and judgment of forfeiture, or mailing of the notice if no receipt is made, and upon the event the defendant is returned to custody within ninety (90) days after payment is due, and all expenses for the defendant's return have been paid by the bondsman, the bondsman's property shall be returned.

3. If the additional cash or securities are not deposited with the court clerk on or before the ninety-first day from the date of service of the order and judgment of forfeiture from the court clerk, or mailing of the notice if no receipt is made, then the court clerk shall notify the Insurance Commissioner by sending a certified copy of the order and judgment of forfeiture and proof that the bondsman and, if applicable, the insurer have been notified by mail with return receipt requested.

4. The Insurance Commissioner shall:

a. in the case of a surety bondsman, immediately cancel the license privilege and authorization of the insurer to do business within the State of Oklahoma and cancel the appointment of all surety bondsman agents of the insurer who are licensed by Section 1301 et seq. of this title, and

b. in the case of a professional bondsman, withdraw the face amount of the said forfeiture from the deposit provided in Section 1306 of this title. The Commissioner shall then immediately direct the professional bondsman, by mail with return receipt requested, to make additional deposits to bring the original deposit to the required level. Should the professional bondsman, after being notified, fail to make an additional deposit within ten (10) days from the receipt of notice, or mailing of notice if no receipt is made, ~~his~~ the license shall be revoked and all sums presently on deposit shall be held by the Commissioner to secure the face amounts of bonds outstanding. Upon release of ~~said~~ the bonds, any amount of deposit in excess of ~~said~~ the bonds shall be returned to the bondsman~~. Provided~~; provided, the bail bondsman shall have had ~~such~~ notice as required by the court, at the place of ~~his~~ the bondsman's business, of the trial or hearing of the defendant named in the bond. The notice shall have been at least ten (10) days before the required

appearance of the defendant, unless the appearance is scheduled at the time of execution of the bond. Notwithstanding the foregoing, the bondsman shall be deemed to have had notice of the trial or hearing if the defendant named in the bond shall have been recognized back in open court to appear at a date certain for ~~such~~ the trial or hearing.

5. If the actions of any bail bondsman force the Insurance Commissioner to withdraw monies, deposited pursuant to Section 1306 of this title, to pay past due executions more than two (2) times in a consecutive twelve-month period, then the license of ~~such~~ the professional bondsman shall, in addition to other penalties, be suspended automatically for one (1) year or until a deposit equal to all outstanding forfeitures due is made. ~~Such~~ The deposit shall be maintained until the Commissioner deems it feasible to reduce the deposit. In no case shall ~~such~~ an increased deposit exceed two (2) years unless there is a recurrence of withdrawals as stated herein.

E. 1. If the defendant's failure to appear was the result of being in the custody of a court other than the court in which ~~his~~ the appearance was scheduled, forfeiture shall not lie. Upon proof to the court that the bondsman paid the order and judgment of forfeiture without knowledge that the defendant was in custody of another court on the day the defendant was due to appear, and all expenses for the defendant's return have been paid by the bondsman, the bondsman's property shall be returned.

2. Where the defendant is in the custody of another court, the district attorney or municipal attorney shall direct a hold order to the official, judge, court or law enforcement agent wherein the defendant is in custody~~. Providing~~; provided, that all expenses accrued as a result of returning the custody of the defendant shall be borne by the bondsman.

F. The district attorney or municipal attorney shall not receive any fees, bonuses or other monies or property for or by reason of ~~his~~ services or actions in connection with or collection

of bond forfeitures under the provisions of Section 1301 et seq. of this title.

G. The above procedures shall be subject to the bondsman's rights of appeal. The bondsman or insurer may appeal an order and judgment of forfeiture pursuant to the procedures for appeal set forth in Section 951 et seq. of Title 12 of the Oklahoma Statutes. To stay the execution of the order and judgment of forfeiture, the bondsman or insurer shall comply with the provisions set forth in Section 968.1 of Title 12 of the Oklahoma Statutes.

H. For municipal courts of record, the above procedures are criminal in nature and ancillary to the criminal procedures before the trial court and shall be subject to the bondsman's right of appeal. The bondsman or insurer may appeal an order and judgment of forfeiture by the municipal courts of record to the Court of Criminal Appeals.

SECTION 6. AMENDATORY 59 O.S. 1991, Section 1750.5, as amended by Section 1, Chapter 63, O.S.L. 1993 (59 O.S. Supp. 1994, Section 1750.5), is amended to read as follows:

Section 1750.5 A. Licenses authorized to be issued by the Council on Law Enforcement Education and Training shall be as follows:

1. Security Agency License;
2. Investigative Agency License;
3. Private Investigator License (unarmed);
4. Security Guard License (unarmed);
5. Armed Security Guard License; and
6. Special Event License (unarmed).

B. Any qualified applicant meeting the requirements for more than one of the positions of private investigator, security guard, or armed security guard may be issued a separate license for each position for which he qualifies, or in the discretion of the Council, a combination license provided the required license fees are paid.

C. A private investigator may carry a firearm, if said private investigator also performs the functions of an armed security guard, under the authority of the armed security guard

license; or if said private investigator performs no functions of an armed security guard, the Council may add an endorsement to the license of the private investigator that states "Firearms Authorized", in lieu of the armed security guard license, provided the private investigator completes the same training and testing requirements of the armed security guard. The Council will charge the same fee for the "Firearms Authorized" endorsement on the private investigators license as the cost of the armed security guard license.

D. Any identification card issued to a person meeting the license requirements for an armed security guard shall be distinct and shall explicitly state that the person is authorized to carry a firearm pursuant to the provisions of this act, Section 1750.1 et seq. of this title. Upon receipt of the license and identification card, such armed security guard is authorized to carry a firearm in the performance of his duties subject to the provisions of this act and the rules and regulations prescribed by the Council.

E. The Council may issue a conditional license to a person employed by a security or investigative agency as a trainee for a security guard, armed security guard or private investigator position, when such person has submitted a properly completed application, made under oath, subject to the following conditions:

1. A conditional license shall authorize such employees to perform the same functions that regular licensees perform, but subject to supervision by the employing agency as the Council may prescribe;

2. The holder of such conditional license shall complete the necessary training requirements within one hundred eighty (180) days from the effective date of the conditional license, after which the conditional license shall expire;

3. The holder of a conditional license as an armed security guard shall not carry a firearm in the performance of his duties until he has completed a course of firearms training as prescribed by the Council, and has been issued a regular license by the Council;

4. A conditional license may be renewed at the discretion of the Council, if necessary to allow an applicant to complete any training required for a regular license; and

5. When the Council finds that a conditional license holder has completed the required training and is otherwise qualified for a license pursuant to the provisions of Section 1750.1 et seq. of this title, the Council shall issue such person a regular license.

F. A Security Agency License may be issued to an individual, corporation or other legal entity meeting the following qualifications:

1. If the license is to be issued in the name of a legal entity other than a natural person, the applicant must furnish proof that the entity is legally recognized, such as the issuance of a corporate charter; and

2. The executive officer, manager, or other person in charge of supervising security guards in the performance of their duties shall be a licensed security guard.

G. An Investigative Agency License may be issued to an individual, corporation or other legal entity meeting the following qualifications:

1. If the license is to be issued in the name of a legal entity other than a natural person, the applicant must furnish proof that the entity is legally recognized, such as the issuance of a corporate charter;

2. Any person, otherwise qualified, may own a private investigation agency~~, provided, that a self-employed private investigator, or the executive officer, manager, or other person in charge of supervising private investigators in the performance of their duties shall be a licensed private investigator with a minimum of one (1) year of experience as a private investigator, private investigator supervisor, or law enforcement officer, within the past five (5) years immediately preceding the application~~; and

3. A self-employed private investigator who employs no other investigators shall also be licensed as an investigative agency,

but shall only be required to be insured or bonded as a self-employed private investigator.

H. A Security Guard License, Armed Security Guard License, Private Investigator License, or combination thereof may be issued to an applicant meeting the following qualifications. The applicant shall:

1. Be a citizen of the United States or an alien legally residing in the United States;

2. Be at least eighteen (18) years of age, except that an applicant for an Armed Security Guard License shall be at least twenty-one (21) years of age;

3. Have successfully completed training requirements for the license applied for, as prescribed by the Council;

4. Be of good moral character;

5. Not have a record of a felony conviction;

6. Not have a record of conviction for larceny, theft, false pretense, fraud, embezzlement, false personation of an officer, any offense involving moral turpitude, any offense involving a minor as a victim, any nonconsensual sex offense, any offense involving the possession, use, distribution, or sale of a controlled dangerous substance, any offense involving a firearm, or any other offense as prescribed by the Council.

Provided however, if any conviction which disqualifies an applicant occurred more than five (5) years prior to the application date and the Council is convinced the offense constituted an isolated incident and the applicant has been rehabilitated, the Council may, in its discretion, waive the conviction disqualification as provided for in this section and issue an unarmed security guard license or a private investigator's license, but shall not issue an armed guard license, to the applicant if the applicant is otherwise qualified unless said felony involved the use of a firearm or was violent in nature.

If an Oklahoma State Bureau of Investigation records check and a local records check reveal that there are no felony convictions, criminal convictions involving moral turpitude, or any other

disqualifying convictions as specified in the Oklahoma Security Guard and Private Investigator Act, Section 1750.1 et seq. of this title, or prescribed by the Council, then the Council may conditionally issue an armed security guard license pending completion of the criminal history and background check. Further, under oath, the applicant shall certify that he has no disqualifying convictions as specified in the Oklahoma Security Guard and Private Investigator Act or by the Council. The applicant shall further meet all other qualifications. If upon completion of the required background investigation it is discovered that a disqualifying conviction exists, the Council shall immediately revoke the armed guard license of the applicant.

I. A special event license may be issued to an employee of a security agency who is hired on a temporary basis as an unarmed security guard for a particular event. An application for a special event license shall be made by the agency so employing the applicant. Said agency shall certify to the Council that the applicant meets the qualifications for security guards, pursuant to subsection H of this section.

J. 1. Effective on and after July 1, 1988, all persons and agencies newly licensed pursuant to Section 1750.1 et seq. of this title, or who renew an existing license, shall obtain and maintain liability coverage in accordance with the following minimum standards:

a. general liability insurance coverage for bodily injury, personal injury and property damage, with endorsements for personal injury including false arrest, libel, slander and invasion of privacy, or

b. a surety bond that allows persons to recover for actionable injuries, loss or damage as a result of the willful, or wrongful acts or omissions of the principal and protects this state, its agents, officers and employees from judgments against the principal or insured licensee, and is further conditioned upon the faithful and honest conduct of the principal's business.

2. Liability coverages and bonds outlined in this section shall be in the minimum amounts of One Hundred Thousand Dollars ($100,000.00) for agencies, Ten Thousand Dollars ($10,000.00) for armed security guards and Five Thousand Dollars ($5,000.00) for security guards and self-employed private investigators who employ no other investigators.

3. Security agencies and investigative agencies shall ensure that all employees of said agencies have met the minimum liability coverages as prescribed in this section.

4. Insurance policies and bonds issued pursuant to this section shall not be modified or canceled unless ten (10) days' prior written notice is given to the Council. All persons and agencies insured or bonded pursuant to this section shall be insured or bonded by an insurance carrier or a surety company licensed in the state in which the insurance or bond was purchased, or in this state.

5. In lieu of the requirements of this subsection, the Council may accept a written statement from a corporation which is registered with the Oklahoma Secretary of State attesting that the corporation self-insures the general operation of business for the types of liability set out in paragraphs 1 and 2 of this subsection.

K. Upon written notice, any license may be placed on inactive status.

SECTION 7. This act shall become effective November 1, 1995.

45-1-1228 KSM