

ENGROSSED HOUSE  
BILL NO. 2900

By: Cox of the House

and

Hendrick of the Senate

An Act relating to insurance; amending Section 61, Chapter 418, O.S.L. 1997 (36 O.S. Supp. 1997, Section 1424.12), which relates to insurance agents; providing that an insurance agent placing business with an insurer for which the agent is not appointed shall be deemed to be acting on behalf of the insured and not the insurer; and providing an effective date.

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

SECTION 1. AMENDATORY Section 61, Chapter 418, O.S.L. 1997 (36 O.S. Supp. 1997, Section 1424.12), is amended to read as follows:

Section 1424.12 A. An insurance agent may place only a kind or kinds of insurance for which the agent is licensed and appointed by an insurer. In the event that an agent's appointments for one or more lines of insurance have been terminated, then the agent may elect to surrender the license as to that line or lines, and upon renewal the Commissioner will issue a license that includes only those lines for which the agent has both a license and an appointment.

B. An insurance agent may place a kind or kinds of insurance for which the agent is not appointed by an insurer, only by placing the insurance through a licensed agent holding an appointment for that kind or kinds of insurance from an insurer. An insurance agent placing business with an insurer for which the agent is not appointed shall be deemed to be acting on behalf of the insured and not on behalf of the insurer. This subsection shall not be interpreted to permit an agent to solicit insurance in a line for which the agent is not licensed.

C. A limited insurance representative may place only a kind or kinds of insurance for which the representative is licensed and appointed by an insurer. In the event that a representative's appointments have all been terminated, then the representative's license will be deemed to have expired unless, within ten (10) days after the last termination, a new appointment has been secured.

D. A limited insurance representative may place a kind or kinds of insurance for which he or she is not appointed as a limited insurance representative only by placing the insurance through a licensed limited insurance representative holding an appointment for that kind or kinds of insurance from an insurer.

SECTION 2. This act shall become effective November 1, 1998.

Passed the House of Representatives the 2nd day of March, 1998.

Speaker of the House of Representatives

Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 1998.

President of the Senate