STATE OF OKLAHOMA

1st Session of the 53rd Legislature (2011)

SENATE BILL 778 By: Aldridge

AS INTRODUCED

An Act relating to insurance adjusters; creating the Independent Insurance Adjusters Licensing Act; providing short title; defining terms; specifying who can act as an independent insurance adjuster; providing exceptions to licensure; allowing temporary emergency licensure or registration of an independent insurance adjuster under certain conditions; specifying length of emergency licensure of registration; authorizing Insurance Commissioner to determine amount of licensure or registration fee; requiring the Commissioner to make certain findings; requiring certain entity applying for certain license to make application on certain form and in certain manner; requiring fingerprints and criminal history record checks; providing procedures related to the collection and transmission of such fingerprints; requiring certain information to be treated as confidential; specifying conditions for issuance of an independent insurance adjusters license; authorizing an independent adjuster to qualify for a license in certain lines of authority; allowing for renewal of such license; specifying license fees; authorizing waiver of license renewal requirement under certain circumstances; subjecting an independent adjuster to certain laws; specifying content of the license; authorizing the Commissioner to contract for the performance of certain functions; requiring written examination; providing exceptions; providing for nonrefundable examination fee; exempting persons licensed in another state from completing certain prelicensing requirements; providing procedures for licensure of a person licensed in another state; stating conditions for receipt of a nonresident independent adjuster license; requiring nonresident independent adjuster

licensee to maintain licensure in home state; providing for optional apprentice independent adjuster license; providing application process for such license; requiring the Commissioner to make certain findings; subjecting the apprentice independent adjuster license to certain terms and conditions; authorizing the Commissioner to take certain actions in response to certain causes; requiring notification in the case of denial of application or renewal of a license; authorizing certain hearing; allowing certain license to be denied under certain conditions; providing for civil penalty; authorizing the Commissioner to enforce certain provisions; requiring continuing education; providing exceptions; requiring an independent adjuster to maintain copies of certain contracts; specifying professional conduct of an independent adjuster; requiring the independent adjuster to report certain actions; authorizing the Commissioner to promulgate certain rules; providing for codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6250 of Title 36, unless there is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Independent Insurance Adjusters Licensing Act".

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6251 of Title 36, unless there is created a duplication in numbering, reads as follows:

As used in the Independent Insurance Adjusters Licensing Act:

1. “Apprentice independent adjuster” means one who is qualified in all respects as an independent adjuster except as to experience, education and/or training;

2. “Business entity” means a corporation, association, partnership, limited liability company, limited liability partnership, or other legal entity;

3. “Catastrophe” means an event that:

a. results in large numbers of deaths or injuries,

b. causes extensive damage or destruction of facilities that provide and sustain human needs,

c. produces an overwhelming demand on state and local response resources and mechanisms,

d. causes a severe long-term effect on general economic activity, or

e. severely affects state, local and private sector capabilities to begin and sustain response activities.

A catastrophe shall be declared by the Governor of the state, district, or territory in which the catastrophe occurred;

4. “Commissioner” means the Insurance Commissioner;

5. “Fingerprints” means an impression of the lines on the finger taken for purpose of identification;

6. “Home state” means the District of Columbia and any state or territory of the United States in which an independent adjuster maintains his, her or its principal place of residence or business

and is licensed to act as a resident independent adjuster. If the resident state does not license independent adjusters for the line of authority sought, the independent adjuster shall designate as his, her or its home state any state in which the independent adjuster is licensed and in good standing;

7. "Independent adjuster" means a person who:

a. is an individual, a business entity, an independent contractor, or an employee of a contractor, who contracts for compensation with insurers or self-insurers,

b. is an individual whom the insurer's or self-insurer's tax treatment of the individual is consistent with that of an independent contractor rather than as an employee, as defined in the Internal Revenue Code, United States Code, Title 26, Subtitle C, and

c. investigates, negotiates or settles property, casualty or workers' compensation claims for insurers or for self-insurers;

8. "Individual" means a natural person;

9. "Insurer" means any authorized insurance company, corporation, reciprocal group, mutual group, underwriting association or bureau, or any combination thereof, writing or underwriting any insurance contracts;

10. "Person" means an individual or business entity;

11. "Uniform Individual Application" means the current version of the National Association of Insurance Commissioners (NAIC) Uniform Individual Application for resident and nonresident individuals; and

12. "Uniform Business Entity Application" means the current version of the National Association of Insurance Commissioners (NAIC) Uniform Business Entity Application for resident and nonresident business entities.

SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6252 of Title 36, unless there is created a duplication in numbering, reads as follows:

No person shall act or hold himself or herself out as an independent adjuster in this state unless the person is licensed as an independent adjuster pursuant to the Independent Insurance Adjusters Licensing Act, or is exempt from licensure as an independent adjuster pursuant to the provisions of the Independent Insurance Adjusters Licensing Act.

SECTION 4. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6253 of Title 36, unless there is created a duplication in numbering, reads as follows:

For the purposes of the Independent Insurance Adjusters Licensing Act, no person or individual shall be deemed to be an adjuster or be required to obtain a license as an adjuster who is:

1. A licensed attorney in the State of Oklahoma, when acting in his or her professional capacity as an attorney;

2. A person employed solely to obtain facts surrounding a claim or to furnish technical assistance to a licensed independent adjuster;

3. An individual who is employed to investigate suspected fraudulent insurance claims but who does not adjust losses or determine claims payments;

4. A person who solely performs executive, administrative, managerial or clerical duties or any combination thereof and who does not investigate, negotiate or settle claims with policyholders, claimants or their legal representative;

5. A licensed health care provider or its employee who provides managed care services so long as the services do not include the determination of compensability;

6. A managed care organization or any of its employees or an employee of any organization providing managed care services so long as the services do not include the determination of compensability;

7. A person who settles only reinsurance or subrogation claims;

8. An officer, director, manager or employee of an authorized insurer, surplus lines insurer, a risk retention group, or an attorney-in-fact of a reciprocal insurer;

9. A U.S. Manager of the United States branch of an alien insurer;

10. A person who investigates negotiates or settles life, accident and health, annuity, or disability insurance claims;

11. An individual employee, under a self-insured arrangement, who adjusts claims on behalf of his or her employer;

12. A licensed insurance producer, attorney-in-fact of a reciprocal insurer or managing general agent of the insurer to whom claim authority has been granted by the insurer; or

13. A person authorized to adjust workers' compensation or disability claims pursuant to the provisions of the Third-party Administrator Act.

SECTION 5. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6254 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. In the event of a declared catastrophe, an insurer shall notify the Insurance Commissioner via an application for temporary emergency licensure, or registration if temporary emergency licensure is not statutorily required, of each individual, not already licensed in the state where the catastrophe has been declared, that will act as an emergency independent adjuster on behalf of the insurer. The Commissioner shall establish standards and procedures to allow for the temporary emergency licensure or registration of an emergency independent adjuster in this state.

B. A person who is otherwise qualified to adjust claims, but not already licensed in this state where the catastrophe has been

declared, may act as an emergency independent adjuster and adjust claims, if, within five (5) days of deployment to adjust claims arising from the declared catastrophe, the insurer notifies the Commissioner by providing the following information in a format prescribed by the Commissioner:

1. Name of the individual;

2. Social Security number of the individual;

3. Name of the insurer which the independent adjuster will represent;

4. Effective date of the contract between the insurer and independent adjuster;

5. Catastrophe or loss control number;

6. Catastrophe event name; and

7. Other information the Commissioner deems necessary.

C. An emergency independent adjuster's license or registration shall remain in force for a period not to exceed ninety (90) days, unless extended by the Commissioner.

D. The fee for emergency independent adjuster application for licensure or registration shall be in the amount specified in subsection C of Section 7 of this act and shall be due and payable at the time of application for licensure or registration.

SECTION 6. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6255 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. An individual applying for a resident independent adjuster license shall make application to the Insurance Commissioner on the appropriate NAIC Uniform Individual Application in a format prescribed by the Commissioner and declare under penalty of suspension, revocation or refusal of the license that the statements made in the application are true, correct and complete to the best of the individual's knowledge and belief. Before approving the application, the Commissioner shall find that the individual:

1. Is at least eighteen (18) years of age;

2. Is eligible to designate this state as his or her home state;

3. Is trustworthy, reliable and of good reputation, evidence of which shall be determined by the Commissioner;

4. Has not committed any act that is a ground for probation, suspension, revocation or refusal of an independent adjuster's license as provided for in Section 13 of this act;

5. Has completed a prelicensing course of study for the line(s) of authority for which the individual has applied, where required by the Commissioner;

6. Has successfully passed the examination for the line(s) of authority for which the individual has applied; and

7. Has paid the fees set forth in Section 7 of this act.

B. A business entity applying for a resident independent adjuster license shall make application to the Commissioner on the

appropriate NAIC Uniform Business Entity Application in a format prescribed by the Commissioner and declare under penalty of suspension, revocation or refusal of the license that the statements made in the application are true, correct and complete to the best of the business entity's knowledge and belief. Before approving the application, the Commissioner shall find that the business entity:

1. Is eligible to designate this state as its home state;

2. Has designated a licensed independent adjuster responsible for the business entity's compliance with the insurance laws, rules and regulations of this state;

3. Has not committed an act that is a ground for probation, suspension, revocation or refusal of an independent adjuster's license as set forth in Section 13 of this act; and

4. Has paid the fees set forth in Section 7 of this act.

C. In order to make a determination of license eligibility, the Commissioner is authorized to require fingerprints of applicants and to submit the fingerprints and the fee required to perform the criminal history record checks to the Oklahoma State Bureau of Investigation (OSBI) and the Federal Bureau of Investigation (FBI) for state and national criminal history record checks.

D. The Commissioner shall require a criminal history record check on each applicant in accordance with the Independent Insurance Adjusters Licensing Act. The Commissioner shall require each applicant to submit a full set of fingerprints including a scanned

file from a hard copy fingerprint in order for the Commissioner to obtain and receive national criminal history records from the FBI Criminal Justice Information Services Division.

E. The Commissioner may contract for the collection and transmission of fingerprints authorized under the Independent Insurance Adjusters Licensing Act. If the Commissioner does contract, the Commissioner may order the fee for collecting and transmitting fingerprints to be payable directly to the contractor by the applicant. The Commissioner may agree to a reasonable fingerprinting fee to be charged by the contractor.

F. The Commissioner shall treat and maintain an applicant's fingerprints and any criminal history record information obtained pursuant to the Independent Insurance Adjusters Licensing Act as confidential and shall apply security measures consistent with the Criminal Justice Information Services Division of the Federal Bureau of Investigation standards for the electronic storage of fingerprints and necessary identifying information and limit the use of records solely to the purposes authorized in the Independent Insurance Adjusters Licensing Act. The fingerprints and any criminal history record information shall not be subject to subpoena, other than one issued in a criminal action or investigation, and shall be confidential.

G. The Commissioner is authorized to receive criminal history record information from another government agency, in lieu of the OSBI, that submitted the fingerprints to the FBI.

H. The Commissioner may require any documents reasonably necessary to verify the information contained in the application.

SECTION 7. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6256 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. Unless denied licensure pursuant to Section 13 of this act, persons who have met the requirements of Sections 6 and 8 of this act shall be issued an independent adjuster license. An independent adjuster may qualify for a license in one or more of the following lines of authority:

1. Property and Casualty; or

2. Workers Compensation; or

3. Crop.

B. Any person holding a license pursuant to this section shall not be required to hold any other independent adjuster, insurance or self-insurance administrator license in this state pursuant to the Third-party Administrator Act or any other provision, provided the licensee does not act as an independent adjuster with respect to life, health or annuity insurance, other than disability insurance.

C. The Insurance Commissioner shall collect the following fees for an independent adjuster's license:

1. For a license in any single class of business, every two (2) years, Thirty Dollars ($30.00);

2. For a license in any combination of two or more classes of business, every two (2) years, Fifty Dollars ($50.00); and

3. Emergency adjuster, as provided for in Section 4 of this act, each year, Fifteen Dollars ($15.00).

D. The fee for the original license or renewal license shall be collected in advance of issuance.

E. An independent adjuster license shall remain in effect unless probated, suspended, revoked or refused as long as the request for renewal and fee set forth in subsection C of this section is paid and all other requirements for license renewal are met by the due date, otherwise the license expires.

F. An independent adjuster whose license expires may, within twelve (12) months of the renewal date, be reissued an independent adjuster license upon receipt of the renewal request, as prescribed by the Commissioner. However, a penalty in the amount of double the unpaid renewal fee shall be required to reissue the expired license.

G. An independent adjuster who is unable to comply with license renewal procedures and requirements due to military service, long-term medical disability or some other extenuating circumstance may request a waiver of same and a waiver of any examination requirement, fine or other sanction imposed for failure to comply with renewal procedures.

H. An independent adjuster shall be subject to the Unfair Claims Settlement Practices Act and Sections 1201 through 1213 of Title 36 of the Oklahoma Statutes.

I. The independent adjuster shall inform the Commissioner by any means acceptable of any change in resident or business address(es) for the home state or in legal name, within thirty (30) days of the change.

J. The license shall contain the licensee's name, address, personal identification number, the date of issuance and expiration and any other information the Commissioner deems necessary.

K. In order to assist in the performance of the Commissioner's duties, the Commissioner may contract with nongovernmental entities, including the NAIC, its affiliates or subsidiaries, to perform any ministerial functions, including the collection of fees and data, related to licensing that the Commissioner may deem appropriate.

SECTION 8. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6257 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. An individual applying for an independent adjuster license pursuant to the Independent Insurance Adjusters Licensing Act shall pass a written examination unless exempt pursuant to Section 9 of this act. The examination shall test the knowledge of the individual concerning the lines of authority for which application is made, the duties and responsibilities of an independent adjuster

and the insurance laws and regulations of this state. Examinations required by this section shall be developed and conducted under rules promulgated by the Insurance Commissioner.

B. The Commissioner may make arrangements, including contracting with an outside testing service, for administering examinations and collecting the nonrefundable fee set forth in subsection C of this section.

C. Each individual applying for an examination shall remit a nonrefundable fee of Twenty Dollars ($20.00).

D. An individual who fails to appear for the examination as scheduled or fails to pass the examination shall reapply for an examination and remit all required fees and forms before being rescheduled for another examination.

SECTION 9. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6258 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. An individual who applies for an independent adjuster license in this state who is or was licensed in another state for the same line(s) of authority based on an independent adjuster examination shall not be required to complete any prelicensing education or examination. This exemption is only available if the individual is currently licensed in another state or if that state license has expired and the application is received by this state within ninety (90) days of expiration. The applicant must provide

certification from the other state that the applicant's license is currently in good standing or was in good standing at the time of expiration or certification from the other state that its Producer Database records, maintained by the NAIC, its affiliates or subsidiaries, indicate that the applicant or the applicant's company is or was licensed in good standing. The certification must be of a license with the same line of authority for which the individual has applied.

B. A person licensed as an independent adjuster in another state based on an independent adjuster examination who establishes legal residency in this state shall make application within ninety (90) days to become a resident independent adjuster licensee pursuant to Section 7 of this act, with the exception that no prelicensing education or examination shall be required of this person.

C. An individual who applies for an apprentice independent adjuster license, pursuant to Section 12 of this act, and who adjusts claims in that capacity, shall not be required to take and successfully complete the independent adjuster examination.

SECTION 10. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6259 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. Unless refused licensure pursuant to Section 13 of this act, a nonresident person shall receive a nonresident independent adjuster license if:

1. The person is currently licensed in good standing as an independent adjuster in his, her, or its resident or home state;

2. The person has submitted the proper request for licensure, has paid the fees required by Section 7 of this act;

3. The person has submitted or transmitted to the Insurance Commissioner the appropriate completed application for licensure; and

4. The person's designated home state awards nonresident independent adjuster licenses to persons of this state on the same basis.

B. The Commissioner may verify the independent adjuster's licensing status through any appropriate database, including the Producer Database maintained by the NAIC, its affiliates or subsidiaries, or may request certification of good standing as described in Section 10 of this act.

C. As a condition to the continuation of a nonresident independent adjuster license, the licensee shall maintain a resident independent adjuster license in his, her or its home state. The nonresident independent adjuster license issued under this section shall terminate and be surrendered immediately to the Commissioner if the resident independent adjuster license terminates for any

reason, unless the termination is due to the independent adjuster being issued a new resident independent adjuster license in his, her or its new home state. The new state resident independent adjuster license must have reciprocity with the licensing nonresident state(s) otherwise the nonresident independent adjuster license(s) will terminate. Notice of resident independent adjuster license termination must be given to any state(s) that issued a nonresident independent adjuster license. Notice must be given within thirty (30) days of the termination date; if terminated for change in resident home state then the notice must include both the previous and current address. Maintaining a resident independent adjuster license is required for the nonresident independent adjuster license(s) to remain valid.

SECTION 11. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6260 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The apprentice independent adjuster license is an optional license to facilitate the experience, education and/or training necessary to ensure reasonable competency of the responsibilities and duties of an independent adjuster as defined in the Independent Insurance Adjusters Licensing Act.

B. An individual applying for an apprentice independent adjuster license shall make application to the Insurance Commissioner on the appropriate NAIC Uniform Individual Application

in a format prescribed by the Commissioner and declare under penalty of suspension, revocation or refusal of the license that the statements made in the application are true, correct and complete to the best of the individual's knowledge and belief. Before approving the application, the Commissioner shall find that the individual:

1. Is at least eighteen (18) years of age;

2. Is a resident of this state and has designated this state as his or her home state;

3. Has a business or mailing address in this state for acceptance of service of process;

4. Has not committed any act that is a ground for probation, suspension, revocation or denial of licensure as set forth in Section 13 of this act;

5. Is trustworthy, reliable and of good reputation, evidence of which may be determined by the Commissioner; and

6. Has paid the fees set forth in Section 7 of this act.

C. The apprentice independent adjuster license shall be subject to the following terms and conditions:

1. Accompanying the apprentice independent adjuster application shall be an attestation, from a licensed independent adjuster with the same line(s) of authority for which the apprentice has applied, certifying that the apprentice will be subject to training, direction and control by the licensed independent adjuster and further certifying that the licensed independent adjuster assumes

responsibility for the actions of the apprentice in the apprentice's capacity as an independent adjuster;

2. The apprentice independent adjuster is only authorized to adjust claims in the state that has issued the apprentice independent adjuster license;

3. The apprentice independent adjuster licensee is restricted to participation in the investigation, settlement and negotiation of claims subject to the review and final determination of the claim by the supervising licensed independent adjuster;

4. Compensation of an apprentice independent adjuster shall be on a salaried or hourly basis only;

5. The apprentice independent adjuster shall not be required to take and successfully complete the independent adjuster examination pursuant to Section 9 of this act to adjust claims as an apprentice independent adjuster. However, at any time during the apprenticeship the apprentice independent adjuster may choose to take the examination required by Section 8 of this act. If the individual takes and successfully completes the independent adjuster exam the apprentice independent adjuster license shall automatically terminate and an independent adjuster license shall be issued to that individual in place thereof;

6. The apprentice independent adjuster license is for a period not to exceed twelve (12) months and is nonrenewable; and

7. The licensee shall be subject to probation, suspension, revocation, or refusal pursuant to Section 13 of this act.

SECTION 12. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6261 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The Insurance Commissioner may place on probation, suspend, revoke, or refuse to issue or renew an independent adjuster's license or may levy a civil penalty or any combination of the above actions for any one or more of the following causes:

1. Providing incorrect, misleading, incomplete or materially untrue information in the license application;

2. Violating any insurance laws, regulations, subpoena or order of the Commissioner or of another state's Insurance Commissioner;

3. Obtaining or attempting to obtain a license through misrepresentation or fraud;

4. Improperly withholding, misappropriating, or converting any monies or properties received in the course of doing insurance business;

5. Intentionally misrepresenting the terms of an actual or proposed insurance contract or application for insurance;

6. Having been convicted of a felony;

7. Having admitted or been found to have committed any insurance unfair trade practice or fraud;

8. Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, in the conduct of insurance business in this state or elsewhere;

9. Having an insurance license, or its equivalent, probated, suspended, revoked or refused in any other state, province, district, or territory;

10. Forging another's name to any document related to an insurance transaction;

11. Cheating, including improperly using notes or any other reference material, to complete an examination for an insurance license;

12. Failing to comply with an administrative or court order imposing a child support obligation; or

13. Failing to pay state income tax or comply with any administrative or court order directing payment of state income tax which remains unpaid.

B. In the event that the action by the Commissioner is to refuse application for licensure or renewal of an existing license, the Commissioner shall notify the applicant or licensee in writing, advising of the reason for the refusal. The applicant or licensee may make written demand upon the Commissioner for a hearing before the Commissioner to determine the reasonableness of the refusal. The hearing shall be pursuant to the Administrative Procedures Act.

C. The license of a business entity may be probated, suspended, revoked, or refused if the Commissioner finds, after a hearing, that its designated individual licensee's violation occurred while acting on behalf of or representing the business entity and that the violation was known or should have been known by one or more of the business entity's partners, officers or managers and that the violation was neither reported to the Commissioner nor was corrective action taken.

D. In addition to or in lieu of any applicable probation, suspension, revocation or refusal, a person may, after a hearing, additionally be subject to a civil fine.

E. The Commissioner shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by the Independent Insurance Adjusters Licensing Act and Title 36 of the Oklahoma Statutes against any person who is under investigation for or charged with a violation of the Independent Insurance Adjusters Licensing Act or Title 36 of the Oklahoma Statutes even if the person's license or registration has been surrendered or has expired by operation of law.

SECTION 13. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6262 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. An individual, who holds an independent adjuster license and who is not exempt under subsection B of this section, shall

satisfactorily complete a minimum of twenty-four (24) hours of continuing education courses, of which three (3) hours must be in ethics, reported to the Insurance Commissioner on a biennial basis in conjunction with his or her license renewal cycle.

B. The provisions of subsection A of this section shall not apply to:

1. Licensees not licensed for one (1) full year prior to the end of the applicable continuing education biennium; or

2. Licensees holding nonresident independent adjuster licenses who have met the continuing education requirements of their designated home state.

SECTION 14. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6263 of Title 36, unless there is created a duplication in numbering, reads as follows:

An independent adjuster shall maintain a copy of each contract between the independent adjuster and the insurer or self-insurer and comply with the record retention policy as agreed to in that contract.

SECTION 15. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6264 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. An independent adjuster shall:

1. Be honest and fair in all communications with the insured, the insurer and the public;

2. Give policyholders and claimants prompt, knowledgeable service and courteous, fair and objective treatment at all times;

3. Comply with all local, state and federal privacy and information security laws, if applicable; and

4. Identify himself or herself as an independent adjuster and, if applicable, identify his or her employer when dealing with any policyholder or claimant.

B. An independent adjuster shall not:

1. Give legal advice, and shall not deal directly with any policyholder or claimant who is represented by legal counsel without the consent of the legal counsel involved; and

2. Have any financial interest in any adjustment or acquire for himself or herself or any person any interest or title in salvage, without first receiving written authority from the principal.

SECTION 16. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6265 of Title 36, unless there is created a duplication in numbering, reads as follows:

A. The independent adjuster shall report to the Insurance Commissioner any administrative action taken against the independent adjuster in another jurisdiction or by another governmental agency in this state within thirty (30) days of the final disposition of the matter. This report shall include a copy of the order, consent order and any other relevant legal documents.

B. The independent adjuster shall report to the Commissioner any criminal action taken against the independent adjuster in this or any jurisdiction within thirty (30) days of the final disposition of the criminal matter. The report shall include a copy of the initial complaint filed, the final order issued by the court, and any other relevant legal documents.

SECTION 17. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 6266 of Title 36, unless there is created a duplication in numbering, reads as follows:

The Insurance Commissioner may promulgate rules as are necessary or proper to carry out the purposes of the Independent Insurance Adjusters Licensing Act.

SECTION 18. This act shall become effective January 1, 2012.

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