

STATE OF OKLAHOMA

1st Session of the 57th Legislature (2019)

COMMITTEE SUBSTITUTE  
FOR

SENATE BILL 1014

By: Quinn

COMMITTEE SUBSTITUTE

An Act relating to insurance; amending 36 O.S. 2011, Sections 1435.29, as amended by Section 7, Chapter 11, O.S.L. 2012, and 6217, as last amended by Section 14, Chapter 269, O.S.L. 2013 (36 O.S. Supp. 2018, Sections 1435.29 and 6217), which relate to continuing education; modifying number of required continuing education hours; updating statutory language; and providing an effective date.

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 1435.29, as amended by Section 7, Chapter 11, O.S.L. 2012 (36 O.S. Supp. 2018, Section 1435.29), is amended to read as follows:

Section 1435.29. A. 1. Each insurance producer, with the exception of title producers and aircraft title producers or any other producer exempt by rule, shall, biennially, complete not less than twenty-one (21) ~~eleck~~ hours through December 31, 2019, and effective on January 1, 2020, not less than sixteen (16) hours of continuing insurance education. Such education may include a written or oral examination.

1        2. Each customer service representative shall, biennially,  
2 complete not less than ten (10) ~~clock~~ hours of continuing insurance  
3 education.

4        3. Licensees, with the exception of title producers and  
5 aircraft title producers or any other producer exempt by rule, shall  
6 complete, in addition to the foregoing, three (3) clock hours of  
7 ethics course work in this same period.

8        4. Each title producer and aircraft title producer shall,  
9 biennially, complete not less than sixteen (16) ~~clock~~ hours of  
10 continuing insurance education, two (2) hours of which shall be  
11 ethics course work, which shall cover the line for which the  
12 producer is licensed. Such education may include a written or oral  
13 examination.

14        B. 1. The Insurance Commissioner shall approve courses and  
15 providers of continuing education. The Insurance Department may use  
16 one or more of the following to review and provide a nonbinding  
17 recommendation to the Insurance Commissioner on approval or  
18 disapproval of courses and providers of continuing education:

- 19            a. employees of the Insurance Commissioner,
- 20            b. a continuing education advisory committee, or
- 21            c. an independent service whose normal business  
22                activities include the review and approval of  
23                continuing education courses and providers. The  
24                Commissioner may negotiate agreements with such

1 independent service to review documents and other  
2 materials submitted for approval of courses and  
3 providers and provide the Commissioner with its  
4 nonbinding recommendation. The Commissioner may  
5 require such independent service to collect the fee  
6 charged by the independent service for reviewing  
7 materials provided for review directly from the course  
8 providers.

9 The Insurance Commissioner has sole authority to approve courses  
10 and providers of continuing education. If the Insurance  
11 Commissioner uses one of the entities listed above to provide a  
12 nonbinding recommendation, the Commissioner shall adopt or decline  
13 to adopt the recommendation within thirty (30) days of receipt of  
14 the recommendation. In the event the Insurance Commissioner takes  
15 no action within ~~said~~ the thirty-day period, the recommendation made  
16 to the Commissioner will be deemed to have been adopted by the  
17 Commissioner.

18 The Insurance Commissioner may certify providers and courses  
19 offered for license examination study. The Insurance Department  
20 shall use employees of the Insurance Commissioner to review and  
21 certify license examination study program providers and courses.

22 2. Each insurance company shall be allowed to provide  
23 continuing education to insurance producers and customer service  
24 representatives as required by this section; provided that such

1 continuing education meets the general standards for education  
2 otherwise established by the Insurance Commissioner.

3 3. An insurance producer who, during the time period prior to  
4 renewal, participates in a professional designation program,  
5 approved by the Insurance Commissioner, shall be deemed to have met  
6 the biennial requirement for continuing education.

7 The curriculum for the program shall total a minimum of twenty-  
8 four (24) hours through December 31, 2019, and effective on January  
9 1, 2020, a minimum of sixteen (16) hours within a twenty-four-month  
10 period. Each approved professional designation program included in  
11 this section shall be reviewed for quality and compliance every  
12 three (3) years in accordance with standardized criteria promulgated  
13 by rule. Continuation of approved status is contingent upon the  
14 findings of the review. The list of professional designation  
15 programs approved under this paragraph shall be made available to  
16 producers and providers annually.

17 4. The Insurance Department may promulgate rules providing that  
18 courses or programs offered by professional associations shall  
19 qualify for presumptive continuing education credit approval. The  
20 rules shall include standardized criteria for reviewing the  
21 professional associations' mission, membership, and other relevant  
22 information, and shall provide a procedure for the Department to  
23 disallow all or part of a presumptively approved course.  
24 Professional association courses approved in accordance with this

1 paragraph shall be reviewed every three (3) years to determine  
2 whether they continue to qualify for continuing education credit.

3 5. Subject to approval by the Commissioner, the active  
4 membership of the licensed producer or broker in local, regional,  
5 state, or national professional insurance organizations or  
6 associations may be approved for up to one (1) annual hour of  
7 instruction. The hour shall be credited upon timely filing with the  
8 Commissioner, or designee of the Commissioner, and appropriate  
9 written evidence acceptable to the Commissioner of such active  
10 membership in the organization or association.

11 6. The active service of a licensed producer as a member of a  
12 continuing education advisory committee, as described in paragraph 1  
13 of this subsection, shall be deemed to qualify for continuing  
14 education credit on an hour-for-hour basis.

15 C. 1. Annual fees and course submission fees shall be set  
16 forth as a rule by the Commissioner. The fees are payable to the  
17 Insurance Commissioner. Provided, public-funded educational  
18 institutions, federal agencies, nonprofit organizations, not-for-  
19 profit organizations, and Oklahoma state agencies shall be exempt  
20 from this subsection.

21 2. The Commissioner may assess a civil penalty, after notice  
22 and opportunity for hearing, against a continuing education provider  
23 who fails to comply with the requirements of the Oklahoma Producer  
24 Licensing Act, of not less than One Hundred Dollars (\$100.00) nor

1 more than Five Hundred Dollars (\$500.00), for each occurrence. The  
2 civil penalty may be enforced in the same manner in which civil  
3 judgments may be enforced.

4 D. Failure of an insurance producer or customer service  
5 representative to comply with the requirements of the Oklahoma  
6 Producer Licensing Act may, after notice and opportunity for  
7 hearing, result in censure, suspension, nonrenewal of license or a  
8 civil penalty of up to Five Hundred Dollars (\$500.00) or by both  
9 such penalty and civil penalty. ~~Said~~ The civil penalty may be  
10 enforced in the same manner in which civil judgments may be  
11 enforced.

12 E. Limited lines producers and nonresident agents who have  
13 successfully completed an equivalent or greater requirement shall be  
14 exempt from the provisions of this section.

15 F. Members of the Legislature shall be exempt from this  
16 section.

17 G. The Commissioner shall adopt and promulgate such rules as  
18 are necessary for effective administration of this section.

19 SECTION 2. AMENDATORY 36 O.S. 2011, Section 6217, as  
20 last amended by Section 14, Chapter 269, O.S.L. 2013 (36 O.S. Supp.  
21 2018, Section 6217), is amended to read as follows:

22 Section 6217. A. All licenses issued pursuant to the  
23 provisions of the Insurance Adjusters Licensing Act shall continue  
24 in force not longer than twenty-four (24) months. The renewal dates

1 for the licenses may be staggered throughout the year by notifying  
2 licensees in writing of the expiration and renewal date being  
3 assigned to the licensees by the Insurance Commissioner and by  
4 making appropriate adjustments in the biennial licensing fee.

5 B. Any licensee applying for renewal of a license as an  
6 adjuster shall have completed not less than twenty-four (24) ~~clock~~  
7 hours through December 31, 2019, and effective on January 1, 2020,  
8 not less than sixteen (16) hours of continuing insurance education,  
9 of which three (3) hours shall be in ethics, within the previous  
10 twenty-four (24) months prior to renewal of the license. The  
11 Insurance Commissioner shall approve courses and providers of  
12 continuing education for insurance adjusters as required by this  
13 section.

14 The Insurance Department may use one or more of the following to  
15 review and provide a nonbinding recommendation to the Insurance  
16 Commissioner on approval or disapproval of courses and providers of  
17 continuing education:

- 18 1. Employees of the Insurance Commissioner;
- 19 2. A continuing education advisory committee. The continuing  
20 education advisory committee is separate and distinct from the  
21 Advisory Board established by Section 6221 of this title;
- 22 3. An independent service whose normal business activities  
23 include the review and approval of continuing education courses and  
24 providers. The Commissioner may negotiate agreements with such

1 independent service to review documents and other materials  
2 submitted for approval of courses and providers and present the  
3 Commissioner with its nonbinding recommendation. The Commissioner  
4 may require such independent service to collect the fee charged by  
5 the independent service for reviewing materials provided for review  
6 directly from the course providers.

7 C. An adjuster who, during the time period prior to renewal,  
8 participates in an approved professional designation program shall  
9 be deemed to have met the biennial requirement for continuing  
10 education. Each course in the curriculum for the program shall  
11 total a minimum of twenty-four (24) hours through December 31, 2019,  
12 and effective on January 1, 2020, a minimum of sixteen (16) hours.

13 Each approved professional designation program included in this  
14 section shall be reviewed for quality and compliance every three (3)  
15 years in accordance with standardized criteria promulgated by rule.  
16 Continuation of approved status is contingent upon the findings of  
17 the review. The list of professional designation programs approved  
18 under this subsection shall be made available to producers and  
19 providers annually.

20 D. The Insurance Department may promulgate rules providing that  
21 courses or programs offered by professional associations shall  
22 qualify for presumptive continuing education credit approval. The  
23 rules shall include standardized criteria for reviewing the  
24 professional associations' mission, membership, and other relevant



1 information, and shall provide a procedure for the Department to  
2 disallow a presumptively approved course. Professional association  
3 courses approved in accordance with this subsection shall be  
4 reviewed every three (3) years to determine whether they continue to  
5 qualify for continuing education credit.

6 E. The active service of a licensed adjuster as a member of a  
7 continuing education advisory committee, as described in paragraph 2  
8 of subsection B of this section, shall be deemed to qualify for  
9 continuing education credit on an hour-for-hour basis.

10 F. 1. Each provider of continuing education shall, after  
11 approval by the Commissioner, submit an annual fee. A fee may be  
12 assessed for each course submission at the time it is first  
13 submitted for review and upon submission for renewal at expiration.  
14 Annual fees and course submission fees shall be set forth as a rule  
15 by the Commissioner. The fees are payable to the Insurance  
16 Commissioner and shall be deposited in the State Insurance  
17 Commissioner Revolving Fund, created in Section 307.3 of this title,  
18 for the purposes of fulfilling and accomplishing the conditions and  
19 purposes of the Oklahoma Producer Licensing Act and the Insurance  
20 Adjusters Licensing Act. Public-funded educational institutions,  
21 federal agencies, nonprofit organizations, not-for-profit  
22 organizations and Oklahoma state agencies shall be exempt from this  
23 subsection.  
24

1        2. The Commissioner may assess a civil penalty, after notice  
2 and opportunity for hearing, against a continuing education provider  
3 who fails to comply with the requirements of the Insurance Adjusters  
4 Licensing Act, of not less than One Hundred Dollars (\$100.00) nor  
5 more than Five Hundred Dollars (\$500.00), for each occurrence. The  
6 civil penalty may be enforced in the same manner in which civil  
7 judgments may be enforced.

8        G. Subject to the right of the Commissioner to suspend, revoke,  
9 or refuse to renew a license of an adjuster, any such license may be  
10 renewed by filing on the form prescribed by the Commissioner on or  
11 before the expiration date a written request by or on behalf of the  
12 licensee for such renewal and proof of completion of the continuing  
13 education requirement set forth in subsection B of this section,  
14 accompanied by payment of the renewal fee.

15        H. If the request, proof of compliance with the continuing  
16 education requirement and fee for renewal of a license as an  
17 adjuster are filed with the Commissioner prior to the expiration of  
18 the existing license, the licensee may continue to act pursuant to  
19 ~~said~~ the license, unless revoked or suspended prior to the  
20 expiration date, until the issuance of a renewal license or until  
21 the expiration of ten (10) days after the Commissioner has refused  
22 to renew the license and has mailed notice of ~~said~~ the refusal to  
23 the licensee. Any request for renewal filed after the date of  
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1 expiration may be considered by the Commissioner as an application  
2 for a new license.

3 SECTION 3. This act shall become effective November 1, 2019.

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