

An Act

ENROLLED HOUSE
BILL NO. 4230

By: Sneed of the House

and

Quinn of the Senate

An Act relating to insurance; amending 36 O.S. 2021, Section 1636, which relates to subsidiaries of insurers; granting the Insurance Commissioner the discretion to require insurers in hazardous financial condition to secure and maintain either a deposit or a bond; clarifying that all records and data held by an affiliate are and remain the insurer's property; clarifying that premiums and other funds collected or held by an affiliate are the exclusive property of the insurer; establishing jurisdiction for supervision, seizure, conservatorship, or receivership proceedings; amending 36 O.S. 2021, Section 1901, which relates to rehabilitation and liquidation; modifying definition; amending 36 O.S. 2021, Section 1918, which relates to proof of claims, notice, and hearings; clarifying that claimant must sign claims; mandating that claimants shall comply with certain requirements by receiver; modifying time period in which the receiver shall report claim; amending 36 O.S. 2021, Section 1930, which relates to time to file claims; authorizing receivership court to allow alternative procedures and requirements for the filing of proofs of claim; amending 36 O.S. 2021, Section 1938, which relates to delinquency proceedings; modifying the procedures of delinquency proceedings; clarifying reference to the Insurance Commissioner; and providing an effective date.

SUBJECT: Insurance

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

SECTION 1. AMENDATORY 36 O.S. 2021, Section 1636, is amended to read as follows:

Section 1636. A. 1. Transactions within an insurance holding company system to which an insurer subject to registration is a party shall be subject to the following standards:

- a. the terms shall be fair and reasonable,
- b. agreements for cost-sharing services and management shall include such provisions as required by rule and regulation issued by the Commissioner,
- c. charges or fees for services performed shall be reasonable,
- d. expenses incurred and payment received shall be allocated to the insurer in conformity with customary insurance accounting practices consistently applied,
- e. the books, accounts and records of each party to all such transactions shall be so maintained as to clearly and accurately disclose the nature and details of the transactions including such accounting information as is necessary to support the reasonableness of the charges or fees to the respective parties, ~~and~~
- f. the insurer's surplus as regards policyholders following any dividends or distributions to shareholder affiliates shall be reasonable in relation to the insurer's outstanding liabilities and adequate to meet its financial needs,
- g. if an insurer subject to this act is deemed by the Commissioner to be in a hazardous financial condition as defined by Section 1905 of this title and applicable regulations in Title 365 of the Oklahoma Administrative Code or a condition that would be grounds for supervision, conservation, or a delinquency proceeding, then the Commissioner may require the insurer to secure and maintain from any affiliate with whom the insurer has services or

management agreements either a deposit, held by the Commissioner, or a bond, as determined by the insurer at the insurer's discretion, for the protection of the insurer for the duration of the contract(s) or agreement(s), or the existence of the condition for which the Commissioner required the deposit or the bond. In determining whether a deposit or a bond is required, the Commissioner should consider whether concerns exist with respect to the affiliated person's ability to fulfill the contract(s) or agreement(s) if the insurer were to be put into liquidation. Once the insurer is deemed to be in a hazardous financial condition or a condition that would be grounds for supervision, conservation, or a delinquency proceeding, and a deposit or bond is necessary, the Commissioner has discretion to determine the amount of the deposit or bond, not to exceed the value of the contract(s) or agreement(s) in any one (1) year, and whether such deposit or bond should be required for a single contract, multiple contracts, or a contract only with a specific person(s),

- h. all records and data of the insurer held by an affiliate are and remain the property of the insurer, are subject to control of the insurer, are identifiable, and are segregated or readily capable of segregation, at no additional cost to the insurer, from all other persons' records and data. This includes all records and data that are otherwise the property of the insurer, in whatever form maintained, including, but not limited to, claims and claim files, policyholder lists, application files, litigation files, premium records, rate books, underwriting manuals, personnel records, financial records, or similar records within the possession, custody, or control of the affiliate. At the request of the insurer, the affiliate shall provide that the receiver can obtain a complete set of all records of any type that pertain to the insurer's business; obtain access to the operating systems on which the data is maintained; obtain the software that runs those systems either through assumption of licensing agreements or otherwise; and restrict the use of the data by the affiliate if it is not operating the insurer's business. The affiliate shall provide a

waiver of any landlord lien or other encumbrance to give the insurer access to all records and data in the event of the affiliate's default under a lease or other agreement, and

- i. premiums or other funds belonging to the insurer that are collected by or held by an affiliate are the exclusive property of the insurer and are subject to the control of the insurer. Any right of offset in the event an insurer is placed into receivership shall be subject to Article 19 of this title regarding rehabilitation and liquidation of insurers.

2. The following transactions involving a domestic insurer and any person in its insurance holding company system, including amendments or modifications of affiliate agreements previously filed pursuant to this section, which are subject to any materiality standards contained in subparagraphs a through g of this paragraph, shall not be entered into unless the insurer has notified the Commissioner in writing of its intention to enter into the transaction at least thirty (30) days prior thereto, or such shorter period as the Commissioner may permit, and the Commissioner has not disapproved it within that period. The notice for amendments or modifications shall include the reasons for the change and the financial impact on the domestic insurer. Informal notice shall be reported, within thirty (30) days after a termination of a previously filed agreement, to the Commissioner for determination of the type of filing required, if any:

- a. sales, purchases, exchanges, loans, extensions of credit, or investments, provided the transactions are equal to or exceed:
 - (1) with respect to nonlife insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders as of the 31st day of December next preceding, and
 - (2) with respect to life insurers, three percent (3%) of the insurer's admitted assets as of the 31st day of December next preceding,
- b. loans or extensions of credit to any person who is not an affiliate, where the insurer makes loans or

extensions of credit with the agreement or understanding that the proceeds of the transactions, in whole or in substantial part, are to be used to make loans or extensions of credit to, to purchase assets of, or to make investments in, any affiliate of the insurer making the loans or extensions of credit provided the transactions are equal to or exceed:

- (1) with respect to nonlife insurers, the lesser of three percent (3%) of the insurer's admitted assets or twenty-five percent (25%) of surplus as regards policyholders as of the 31st day of December next preceding, and
- (2) with respect to life insurers, three percent (3%) of the insurer's admitted assets as of the 31st day of December next preceding,

c. reinsurance agreements or modifications thereto, including:

- (1) all reinsurance pooling agreements, and
- (2) agreements in which the reinsurance premium or a change in the insurer's liabilities, or the projected reinsurance premium or a change in the insurer's liabilities in any of the next three (3) years, equals or exceeds five percent (5%) of the insurer's surplus as regards policyholders, as of the 31st day of December next preceding, including those agreements which may require as consideration the transfer of assets from an insurer to a nonaffiliate, if an agreement or understanding exists between the insurer and nonaffiliate that any portion of the assets will be transferred to one or more affiliates of the insurer,

d. all management agreements, service contracts, tax allocation agreements, guarantees and all cost-sharing arrangements,

e. guarantees when made by a domestic insurer; provided, however, that a guarantee which is quantifiable as to amount is not subject to the notice requirements of

this paragraph unless it exceeds the lesser of one-half of one percent (.5%) of the insurer's admitted assets or ten percent (10%) of surplus as regards policyholders as of the 31st day of December next preceding. Further, all guarantees which are not quantifiable as to amount are subject to the notice requirements of this paragraph,

- f. direct or indirect acquisitions or investments in a person that controls the insurer or in an affiliate of the insurer in an amount which, together with its present holdings in such investments, exceeds two and one-half percent (2.5%) of the insurer's surplus to policyholders. Direct or indirect acquisitions or investments in subsidiaries acquired pursuant to Section 2 1632 of this ~~act~~ title (or authorized under any other section of this title), or in nonsubsidiary insurance affiliates that are subject to the provisions of this act, are exempt from this requirement, and
- g. any material transactions, specified by regulation, which the Commissioner determines may adversely affect the interests of the insurer's policyholders.

Nothing in this paragraph shall be deemed to authorize or permit any transactions which, in the case of an insurer not a member of the same insurance holding company system, would be otherwise contrary to law.

3. A domestic insurer may not enter into transactions which are part of a plan or series of like transactions with persons within the insurance holding company system if the purpose of those separate transactions is to avoid the statutory threshold amount and thus avoid the review that would occur otherwise. If the Commissioner determines that separate transactions were entered into over any twelve-month period for that purpose, the Commissioner may exercise his or her authority under Section ~~11~~ 1641 of this ~~act~~ title.

4. The Commissioner, in reviewing transactions pursuant to paragraph 2 of this subsection, shall consider whether the transactions comply with the standards set forth in paragraph 1 of this subsection and whether they may adversely affect the interests of policyholders.

5. The Commissioner shall be notified within thirty (30) days of any investment of the domestic insurer in any one corporation if the total investment in the corporation by the insurance holding company system exceeds ten percent (10%) of the corporation's voting securities.

6. a. Any affiliate that is party to an agreement or contract with a domestic insurer that is subject to subparagraph d of paragraph 2 of this subsection shall be subject to the jurisdiction of any supervision, seizure, conservatorship, or receivership proceedings against the insurer and to the authority of any supervisor, conservator, rehabilitator, or liquidator for the insurer appointed pursuant to Article 18 or 19 of this title regarding rehabilitation and liquidation of insurers for the purpose of interpreting, enforcing, and overseeing the affiliate's obligations under the agreement or contract to perform services for the insurer that are:

(1) an integral part of the insurer's operations, including, but not limited to, management, administrative, accounting, data processing, marketing, underwriting, claims handling, investment, or any other similar functions, or

(2) essential to the insurer's ability to fulfill its obligations under insurance policies.

b. The Commissioner may require that an agreement or contract pursuant to subparagraph d of paragraph 2 of this subsection for the provision of services described in divisions (1) and (2) of subparagraph a of this paragraph specify the affiliate consents to the jurisdiction as set forth in this paragraph.

B. No domestic insurer shall pay any extraordinary dividend or make any other extraordinary distribution to its shareholders until thirty (30) days after the Commissioner has received notice of the declaration thereof and has not within that period disapproved the payment, or until the Commissioner has approved the payment within the thirty-day period. For purposes of this section, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property whose fair market value

together with that of other dividends or distributions made within the preceding twelve (12) months exceeds the greater of:

1. Ten percent (10%) of the insurer's surplus as regards policyholders as of the 31st day of December next preceding; or

2. The net gain from operations of the insurer, if the insurer is a life insurer, or the net income, if the insurer is not a life insurer, not including realized capital gains, for the twelve-month period ending the 31st day of December next preceding, but shall not include pro rata distributions of any class of the insurer's own securities.

In determining whether a dividend or distribution is extraordinary, an insurer other than a life insurer may carry forward net income from the previous two (2) calendar years that has not already been paid out as dividends. This carry-forward shall be computed by taking the net income from the second and third preceding calendar years, not including realized capital gains, less dividends paid in the second and immediate preceding calendar years.

Notwithstanding any other provision of law, an insurer may declare an extraordinary dividend or distribution which is conditional upon the Commissioner's approval, and the declaration shall confer no rights upon shareholders until (1) the Commissioner has approved the payment of the dividend or distribution or (2) the Commissioner has not disapproved payment within the thirty-day period.

- C. 1. Notwithstanding the control of a domestic insurer by any person, the officers and directors of the insurer shall not thereby be relieved of any obligation or liability to which they would otherwise be subject by law, and the insurer shall be managed so as to assure its separate operating identity consistent with this act.

2. Nothing in this section shall preclude a domestic insurer from having or sharing a common management or cooperative or joint use of personnel, property or services with one or more other persons under arrangements meeting the standards of paragraph 1 of subsection A of this section.

3. Not less than one-third (1/3) of the directors of a domestic insurer, and not less than one-third (1/3) of the members of each committee of the board of directors of any domestic insurer, shall be persons who are not officers or employees of the insurer or of

any entity controlling, controlled by, or under common control with the insurer and who are not beneficial owners of a controlling interest in the voting stock of the insurer or entity. At least one such person must be included in any quorum for the transaction of business at any meeting of the board of directors or any committee thereof.

4. The board of directors of a domestic insurer shall establish one or more committees comprised solely of directors who are not officers or employees of the insurer or of any entity controlling, controlled by, or under common control with the insurer and who are not beneficial owners of a controlling interest in the voting stock of the insurer or any such entity. The committee or committees shall have responsibility for nominating candidates for director for election by shareholders or policyholders, evaluating the performance of officers deemed to be principal officers of the insurer and recommending to the board of directors the selection and compensation of the principal officers.

5. The provisions of paragraphs 3 and 4 of this subsection shall not apply to a domestic insurer if the person controlling the insurer, such as an insurer, a mutual insurance holding company, or a publicly held corporation, has a board of directors and committees thereof that meet the requirements of paragraphs 3 and 4 of this subsection with respect to such controlling entity.

6. An insurer may make application to the Commissioner for a waiver from the requirements of this subsection, if the insurer's annual direct written and assumed premium, excluding premiums reinsured with the Federal Crop Insurance Corporation and Federal Flood Program, is less than Three Hundred Million Dollars (\$300,000,000.00). An insurer may also make application to the Commissioner for a waiver from the requirements of this subsection based upon unique circumstances. The Commissioner may consider various factors including, but not limited to, the type of business entity, volume of business written, availability of qualified board members, or the ownership or organizational structure of the entity.

D. For purposes of this act, in determining whether an insurer's surplus as regards policyholders is reasonable in relation to the insurer's outstanding liabilities and adequate to meet its financial needs, the following factors, among others, shall be considered:

1. The size of the insurer as measured by its assets, capital and surplus, reserves, premium writings, insurance in force and other appropriate criteria;

2. The extent to which the insurer's business is diversified among several lines of insurance;

3. The number and size of risks insured in each line of business;

4. The extent of the geographical dispersion of the insurer's insured risks;

5. The nature and extent of the insurer's reinsurance program;

6. The quality, diversification and liquidity of the insurer's investment portfolio;

7. The recent past and projected future trend in the size of the insurer's investment portfolio;

8. The surplus as regards policyholders maintained by other comparable insurers;

9. The adequacy of the insurer's reserves; and

10. The quality and liquidity of investments in affiliates. The Commissioner may treat any such investment as a disallowed asset for purposes of determining the adequacy of surplus as regards policyholders whenever in the judgment of the Commissioner the investment so warrants.

SECTION 2. AMENDATORY 36 O.S. 2021, Section 1901, is amended to read as follows:

Section 1901. For the purpose of Article 19 of the Insurance Code:

1. "Impairment" or "insolvency." The capital of a stock insurer, or limited stock life, accident and health insurer, the net assets of a Lloyds association, or the surplus of a mutual or reciprocal insurer, shall be deemed to be impaired and the insurer shall be deemed to be insolvent, when such insurer shall not be possessed of assets at least equal to all liabilities and required reserves together with its total issued and outstanding capital

stock if a stock insurer, the net assets if a Lloyds association, or the minimum surplus if a mutual or reciprocal insurer required by this code to be maintained for the kind or kinds of insurance it is then authorized to transact-; i

2. "Insurer" means any person, firm, corporation, health maintenance organizations, association or aggregation of persons doing an insurance business and subject to the insurance supervisory authority of, or to liquidation, rehabilitation, reorganization or conservation by the Insurance Commissioner or the equivalent insurance supervisory official of another state-; i

3. "Delinquency proceeding" means any proceeding commenced against an insurer pursuant to this article for the purpose of liquidating, rehabilitating, reorganizing or conserving such insurer-; i

4. "State" means any state of the United States and also the District of Columbia, Alaska, Hawaii, and Puerto Rico-; i

5. "Foreign country" means territory not in any state-; i

6. "Domiciliary state" means the state in which an insurer is incorporated or organized, or in the case of an insurer incorporated or organized in a foreign country, the state in which such insurer, having become authorized to do business in such state, has at the commencement of delinquency proceedings, the largest amount of its assets held in trust and assets held on deposit for the benefit of its policyholders or policyholders and creditors in the United States, and any such insurer is deemed to be domiciled in such state-; i

7. "Ancillary state" means any state other than a domiciliary state-; i

8. "Reciprocal state" means any state other than this state ~~in which in substance and effect the provisions of the Uniform Insurers Liquidation Act, as defined in Section 1921 of this title, are in force, including the provisions requiring that the Insurance Commissioner or equivalent insurance supervisory official be the receiver of a delinquent insurer.~~ that has enacted a law that sets forth a scheme for the administration of an insurer in receivership by the state's Insurance Commissioner or comparable insurance regulatory official;

9. "General assets" means all property, real, personal or otherwise, not specifically mortgaged, pledged, deposited or otherwise encumbered for the security or benefit of specified persons or a limited class or classes of persons, and as to such specifically encumbered property the term includes all such property or its proceeds in excess of the amount necessary to discharge the sum or sums secured thereby. Assets held in trust and assets held on deposit for the security or benefit of all policyholders or all policyholders and creditors in the United States shall be deemed general assets-; ;

10. "Preferred claim" means any claim with respect to which the law of the state or of the United States accords priority of payments from the general assets of the insurer-; ;

11. "Special deposit claim" means any claim secured by a deposit made pursuant to statute for the security or benefit of a limited class or classes of persons, but not including any general assets-; ;

12. "Secured claim" means any claim secured by mortgage, trust deed, pledge, deposit as security, escrow, or otherwise, but not including special deposit claim or claims against general assets. The term also includes claims which more than four (4) months prior to the commencement of delinquency proceedings in the state of the insurer's domicile have become liens upon specific assets by reason of judicial process-; and

13. "Receiver" means receiver, liquidator, rehabilitator, or conservator as the context may require.

SECTION 3. AMENDATORY 36 O.S. 2021, Section 1918, is amended to read as follows:

Section 1918. A. All claims against an insurer against which delinquency proceedings have been begun shall set forth in reasonable detail the amount of the claim, or the basis upon which such amount can be ascertained, the facts upon which the claim is based, and the priorities asserted, if any. All such claims shall be ~~verified~~ signed by the ~~affidavit of the~~ claimant, or someone authorized to act on his or her behalf ~~and having knowledge of the facts,~~ and shall be supported by such documents as may be material thereto. Claimant shall, in the time and manner set forth by the receiver, fully comply with any and all requests by the receiver for claimant to provide information or evidence supplementary to that

required in this article, including, but not limited to, testimony under oath, affidavits, and depositions.

B. All claims filed in this state shall be filed with the receiver, whether domiciliary or ancillary, in this state, on or before the last date for filing as specified ~~in this article~~ by the court.

C. ~~Within ten (10) days of the receipt of any claim, or within such further period as the court may, for good cause shown, fix, the receiver shall report the claim to the court, specifying in such report his a recommendation with respect to the action to be taken thereon. Upon receipt of such report, the court shall fix a time for hearing the claim and shall direct that the claimant or the receiver, as the court shall specify, shall give such notice as the court shall determine to such persons as shall appear to the court to be interested therein. All such notices shall specify the time and place of the hearing and shall concisely state the amount and nature of the claim, the priorities asserted, if any, and the recommendation of the receiver with reference thereto.~~

D. At the hearing, all persons interested shall be entitled to appear and the court shall enter an order allowing, allowing in part, or disallowing the claim. Any such order shall be deemed to be an appealable order.

SECTION 4. AMENDATORY 36 O.S. 2021, Section 1930, is amended to read as follows:

Section 1930. If upon commencement of delinquency proceedings under this article or at any time during the proceedings the insurer shall not be clearly solvent, the court shall, after such notice and hearing as it deems proper, make an order declaring the insurer to be insolvent. Thereupon, regardless of any prior notice which may have been given to creditors, the Insurance Commissioner shall notify all persons who may have claims against the insurer and who have not filed proper proofs thereof to present the same to the Commissioner, at a place specified in the notice, within four (4) months from the date of entry of the order, or within a longer time prescribed by the court not to exceed one hundred eighty (180) days which shall be specified in the notice. The notice shall be given in a manner determined by the court.

Only upon application of the liquidator, the receivership court may allow alternative procedures and requirements for the filing of

proofs of claim or for allowing or proving claims. Upon application, if the court dispenses with the requirements of filing a proof of claim by a person, class, or group of persons, a proof of claim for such a person, class, or group shall be deemed as having been filed for all purposes, except that the receivership court's waiver of proof-of-claim requirements shall not impact a guaranty association's proof-of-claim filing requirement or coverage determinations to the extent that the guaranty fund statute or filing requirements are inconsistent with the court's waiver of proof.

Proofs of claim may be filed after the date specified in the notice, but no such claim shall share in the distribution of the assets until all allowed claims, proofs of which have been filed before that date, have been paid in full with interest.

SECTION 5. AMENDATORY 36 O.S. 2021, Section 1938, is amended to read as follows:

Section 1938. A. Upon written notice to the receiver, a person shall be placed on the service list to receive notice of matters filed by the receiver. It shall be the responsibility of the person requesting notice to inform the receiver in writing of any changes to his or her address, or to request that his or her name be deleted from the service list. The receiver may require that the persons on the service list provide confirmation that they wish to remain on the service list. Any person who fails to confirm his or her intent to remain on the service list may be purged from the service list. Inclusion on the service list does not confer standing in the delinquency proceeding to raise, appear, or be heard on any issue.

B. Except as otherwise provided by this act, notice and hearing of any matter submitted by the receiver to the receivership court for approval under this act shall be conducted as follows:

1. The receiver shall file an application explaining the proposed action and the basis therefor. The receiver may include any evidence in support of the application. If the receiver determines that any documents supporting the application are confidential, the receiver may submit them to the receivership court under seal for in-camera inspection;

2. The receiver shall provide notice of the application to all persons on the service list and any other parties as determined by the receiver. Notice may be provided by first-class mail, postage

paid, electronic mail, or facsimile transmission, at the receiver's discretion. For purposes of this section, notice is deemed to be given on the date that it is deposited with the U.S. Postmaster or transmitted, as applicable, to the last-known address as shown on the service list;

3. Any party in interest objecting to the application shall file an objection specifying the grounds therefor within fourteen (14) days or such longer time as the court may specify in the notice of the filing of the application and shall serve copies on the receiver and any other persons served with the application within the same time period. An objecting party shall have the burden of showing why the receivership court should not authorize the proposed action;

4. If no objection to the application is timely filed, the receivership court may enter an order approving the application without a hearing or hold a hearing to determine if the receiver's application should be approved. The receiver may request that the receivership court enter an order or hold a hearing on an expedited basis; and

5. If an objection is timely filed, the receivership court may hold a hearing. If the receivership court approves the application and, upon a motion by the receiver, determines that the objection was frivolous or filed merely for delay or for other improper purpose, the receivership court shall order the objecting party to pay the receiver's reasonable costs and fees of defending the action.

C. In any proceeding commenced against an insurer pursuant to Article 18 by a judicial proceeding or Article 19 of this title for the purpose of liquidating, rehabilitating, reorganizing or conserving such insurer, hereinafter called delinquency proceeding, the compensation of personnel employed or retained to assist the Insurance ~~Department~~ Commissioner with the proceeding shall be approved by the court ~~at a full hearing~~ before the compensation may be paid. The Insurance Commissioner shall apply to the court for ~~the hearing approval; provided, that if any board has been created by law to commence and administer delinquency proceedings under Article 18 or 19 of this title, or if any board or association is~~ authorized by the Commissioner to provide assistance to the Commissioner, the board or association shall apply to the court. ~~Provided, this section shall not apply to a supervisorship authorized by Article 18 of this title.~~

~~B.~~ D. Upon receiving the application for approval of compensation, the ~~court shall schedule a hearing.~~ The party responsible for the filing of the application shall cause notice in writing of the application, time to file objections, and hearing if there are objections, to be served upon the following persons not less than ten (10) days before the ~~hearing is scheduled~~ objection period expires:

1. The persons or firms requesting the compensation;

2. The Commissioner, if not the applicant; and

3. Ten persons, or such lesser number as there may be, who hold the largest number of shares in the insurance company involved in the delinquency proceeding, as indicated by the company's stock register as of the time that the company was placed under supervision pursuant to Section 1804 of this title or at the time that an application was filed with the court for the commencement of a delinquency proceeding pursuant to Section 1903 of this title. Said shareholders shall serve as representatives of the insurance company.

~~C.~~ E. The notice shall state the time to file objections and place of the hearing if there are objections, the reasons for the hearing and the following rights of any party served with notice:

1. To appear in person at the hearing or to be represented by counsel;

2. To testify under oath, call witnesses to testify, and furnish documentary evidence, relevant to the determination of the compensation;

3. To cross-examine witnesses and have a reasonable opportunity to inspect all documentary evidence; and

4. To subpoena witnesses and compel the production of testimony and documents, relevant to the determination of the compensation. The person making service shall make an affidavit of such service and file the notice and affidavit with the court.

~~D.~~ F. At the hearing, the court shall fully investigate the compensation of persons employed or retained to assist the Insurance ~~Department~~ Commissioner with the conduct of the delinquency

proceeding. The court shall not approve the compensation until it has been made to appear to the satisfaction of the court, based upon competent evidence, that such compensation is justified.

SECTION 6. This act shall become effective November 1, 2022.

Passed the House of Representatives the 23rd day of March, 2022.

Presiding Officer of the House
of Representatives

Passed the Senate the 26th day of April, 2022.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____