

FLOOR AMENDMENT

HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2403 _____
Of the printed Bill
Page _____ Section _____ Lines _____
Of the Engrossed Bill

By striking the Title, the Enacting Clause, the entire bill, and by
inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Adopted: _____

Amendment submitted by: Todd Russ

Reading Clerk

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

FLOOR SUBSTITUTE
FOR

HOUSE BILL NO. 2403

By: Russ

FLOOR SUBSTITUTE

An Act relating to licenses and certificates;
amending 36 O.S. 2011, Section 617, which relates to
insurance certificates; requiring inactivation of
license for failure to qualify for renewal; imposing
reinstatement fee; allowing termination of license
after certain time period; providing exemption;
amending 36 O.S. 2011, Section 618, which relates to
mandatory revocation or suspension; requiring
inactivation of license for failure to qualify for
renewal; imposing reinstatement fee; allowing
termination of license after certain time period;
providing exemption; amending 36 O.S. 2011, Section
619, which relates to revocation or suspension of
insurance certificate; requiring inactivation of
certificate for failure to qualify for renewal;
imposing reinstatement fee; allowing termination of
certificate after certain time period; providing
exemption; amending Section 2, Chapter 321, O.S.L.
2014, as amended by Section 2, Chapter 145, O.S.L.
2015 (36 O.S. Supp. 2020, Section 1415.3), which
relates to insurance navigators; requiring
inactivation of registration for failure to qualify
for renewal; imposing reinstatement fee; allowing
termination of registration after certain time
period; providing exemption; amending 36 O.S. 2011,
Sections 1435.13, as amended by Section 3, Chapter
294, O.S.L. 2019 and 1435.29, as amended by Section
7, Chapter 11, O.S.L. 2012 (36 O.S. Supp. 2020,
Sections 1435.13 and 1435.29), which relate to the
Oklahoma Producer Licensing Act; requiring
inactivation of license for failure to qualify for
renewal; imposing reinstatement fee; allowing
termination of license after certain time period;

1 providing exemption; providing continuing education
2 exemption; amending 36 O.S. 2011, Section 2727.1,
3 which relates to fraternal benefit societies;
4 requiring inactivation of license for failure to
5 qualify for renewal; imposing reinstatement fee;
6 allowing termination of license after certain time
7 period; providing exemption; amending 36 O.S. 2011,
8 Section 4055.4, which relates to the Viatical
9 Settlements Act of 2008, requiring inactivation of
10 license for failure to qualify for renewal; imposing
11 reinstatement fee; allowing termination of license
12 after certain time period; providing exemption;
13 amending 36 O.S. 2011, Sections 6217, as last amended
14 by Section 14, Chapter 269, O.S.L. 2013 and 6220, as
15 last amended by Section 10, Chapter 294, O.S.L. 2019
16 (36 O.S. Supp. 2020, Sections 6217 and 6220), which
17 relate to the Insurance Adjusters Licensing Act;
18 providing continuing education exemption; requiring
19 inactivation of license for failure to qualify for
20 renewal; imposing reinstatement fee; allowing
21 termination of license after certain time period;
22 providing exemption; amending 36 O.S. 2011, Sections
23 6560 and 6561, which relate to the Hospital and
24 Medical Services Utilization Review Act; requiring
inactivation of license for failure to qualify for
renewal; imposing reinstatement fee; allowing
termination of license after certain time period;
providing exemption; amending 59 O.S. 2011, Sections
1304, as amended by Section 1, Chapter 150, O.S.L.
2013, 1308.1, as amended by Section 1, Chapter 259,
O.S.L. 2019 and 1309, as last amended by Section 3,
Chapter 110, O.S.L. 2015 (59 O.S. Supp. 2020,
Sections 1304, 1308.1 and 1309), which relate to bail
bondsmen; requiring inactivation of license for
failure to qualify for renewal; imposing
reinstatement fee; allowing termination of license
after certain time period; providing exemption;
providing continuing education exemption; eliminating
automatic expiration; and providing an effective
date.

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

1 SECTION 1. AMENDATORY 36 O.S. 2011, Section 617, is
2 amended to read as follows:

3 Section 617. A. All certificates of authority shall, beginning
4 November 1, 2002, be perpetual and automatically renewed as of March
5 1 of each year, unless the insurer fails to qualify for renewal
6 pursuant to the requirements of the Insurance Code

7 B. The Insurance Commissioner may amend a certificate of
8 authority at any time to accord with changes in the insurer's
9 charter or insuring powers. If the insurer or holder of the license
10 fails to qualify for a renewal, the license shall be inactive. If
11 the license has been inactive for less than twelve (12) months and
12 the insurer or holder of the license meets the requirements for
13 renewal, the license shall be reinstated after the insurer or holder
14 of the license pays a fee of Two Hundred Fifty Dollars (\$250.00) and
15 no re-examination shall be required, After the license has been
16 inactive for more than twelve (12) months, the license shall be
17 terminated. The Department shall only terminate a license that
18 failed to renew after the twelve-month inactive period required
19 under this subsection and upon notification by first-class mail
20 ninety (90) days prior to termination of any license. The
21 provisions of this subsection shall not apply to an insurer or
22 holder of a license that willfully and knowingly violates any
23 provision of this Code as to which refusal, suspension or revocation
24 is mandatory.

1 SECTION 2. AMENDATORY 36 O.S. 2011, Section 618, is
2 amended to read as follows:

3 Section 618. A. The Insurance Commissioner shall refuse to
4 renew or shall revoke or suspend an insurer's certificate of
5 authority:

6 1. If such action is required by any provision of this Code~~7;~~
7 or

8 2. If the insurer no longer meets the requirements for the
9 authority originally granted, on account of deficiency in assets or
10 otherwise.

11 B. If the insurer or holder of the license fails to qualify for
12 a renewal, the license shall be inactive. If the license has been
13 inactive for less than twelve (12) months and the insurer or holder
14 of the license meets the requirements for renewal, the license shall
15 be reinstated after the insurer or holder of the license pays a fee
16 of Two Hundred Fifty Dollars (\$250.00) and no re-examination shall
17 be required. After the license has been inactive for more than
18 twelve (12) months, the license shall be terminated. The Department
19 shall only terminate a license that failed to renew after the
20 twelve-month inactive period required under this subsection and upon
21 notification by first-class mail ninety (90) days prior to
22 termination of any license. The provisions of this subsection shall
23 not apply to an insurer or holder of a license that willfully and
24

1 knowingly violates any provision of this Code as to which refusal,
2 suspension or revocation is mandatory.

3 SECTION 3. AMENDATORY 36 O.S. 2011, Section 619, is
4 amended to read as follows:

5 Section 619. A. ~~The~~ Except as otherwise provided in this
6 section, the Insurance Commissioner may, after opportunity for a
7 hearing, refuse to renew, or may revoke or suspend an insurer's
8 certificate of authority, in addition to other grounds in this Code,
9 if the insurer:

10 1. Violates any provision of this Code other than those as to
11 which refusal, suspension, or revocation is mandatory;

12 2. Knowingly fails to comply with any lawful rule or order of
13 the Insurance Commissioner;

14 3. Is found by the Insurance Commissioner to be in unsound
15 condition or in such condition as to render its further transaction
16 of insurance in this state hazardous to its policyholders or to the
17 people of this state;

18 4. Without reasonable cause compels claimants under its
19 policies to accept less than the amount due them or to bring suit
20 against it to secure full payment;

21 5. Refuses to be examined or to produce its accounts, records,
22 and files for examination by the Insurance Commissioner when
23 required;

1 6. Fails to pay any final judgment rendered against it in this
2 state within thirty (30) days after the judgment becomes final; or

3 7. Is affiliated with and under the same general management or
4 interlocking directorate or ownership as another insurer which
5 transacts direct insurance in this state without having a
6 certificate of authority therefor, except as permitted to a surplus
7 line insurer pursuant to Sections 1101 through 1120 of this title.

8 B. In addition to or in lieu of any applicable revocation or
9 suspension of an insurer's certificate of authority, any insurer who
10 knowingly and willfully violates this Code may be subject to a civil
11 penalty of not more than Five Thousand Dollars (\$5,000.00) for each
12 occurrence.

13 C. In addition to or in lieu of any sanction, the Commissioner
14 may require an insurer to restrict its insurance writings, obtain
15 additional contributions to surplus, withdraw from the state,
16 reinsure all or part of its business, increase capital, surplus,
17 deposits or any other account for the security of policyholders or
18 creditors, or provide independent actuarial review.

19 D. If the insurer fails to qualify for a renewal, the insurance
20 certificate shall be inactive. If the insurance certificate has
21 been inactive for less than twelve (12) months and the insurer meets
22 the requirements for renewal, the insurance certificate shall be
23 reinstated after the insurer pays a fee of Two Hundred Fifty Dollars
24 (\$250.00) and no re-examination shall be required. After the

insurance certificate has been inactive for more than twelve (12) months, the insurance certificate shall be terminated. The Department shall only terminate an insurance certificate that failed to renew after the twelve-month inactive period required under this subsection and upon notification by first-class mail ninety (90) days prior to termination of any insurance certificate. The provisions of this subsection shall not apply to an insurer that willfully and knowingly violates any provision of this Code as to which refusal, suspension or revocation is mandatory.

SECTION 4. AMENDATORY Section 2, Chapter 321, O.S.L. 2014, as amended by Section 2, Chapter 145, O.S.L. 2015 (36 O.S. Supp. 2020, Section 1415.3), is amended to read as follows:

Section 1415.3 A. No navigator shall provide assistance with regard to health benefit plans as a navigator in this state under the provisions of the federal act unless registered in accordance with this act. The Insurance Commissioner must maintain a registry of navigators.

B. An individual applying for a navigator registration shall make application on a form developed by the Commissioner and shall declare under penalty of refusal, suspension, or revocation of the registration that the statements made in the application are true, correct, and complete to the best of the applicant's knowledge. The Commissioner may not allow any applicant to register who does not meet or conform to the following qualifications or requirements:

1 1. The applicant shall establish to the satisfaction of the
2 Commissioner that he or she has read and will comply with written
3 materials provided by the Commissioner concerning ethics, consumer
4 privacy, the insurance laws of this state, and any other topic or
5 topics the Commissioner deems necessary and attests to such
6 understanding and intent to comply with all state statutes and
7 rules;

8 2. The applicant shall attest to an understanding of the
9 disclosure and recordkeeping requirements of the registry and the
10 ability to provide and maintain such documents;

11 3. An applicant shall be not less than eighteen (18) years of
12 age and of good moral character;

13 4. The applicant shall successfully complete a criminal history
14 and regulatory background investigation in the manner that the
15 Commissioner requires;

16 5. The applicant shall identify the entity with which he or she
17 is, or will be, affiliated and supervised; and

18 6. The applicant shall pay a registration fee prescribed by the
19 Commissioner not to exceed Fifty Dollars (\$50.00).

20 C. An entity applying for a navigator entity registration shall
21 make application on a form developed by the Commissioner and shall
22 declare under penalty of refusal, suspension or revocation of the
23 registration that the statements made in the application are true,
24 correct and complete to the best of the applicant's knowledge. The

1 Commissioner shall not issue a registration to any entity applicant
2 that does not meet or conform to the following qualifications or
3 requirements:

4 1. Establishes policies and procedures to ensure that acts that
5 may be performed only by a registered navigator or licensed producer
6 are performed by persons who are appropriately registered or
7 licensed;

8 2. Acknowledges and accepts legal responsibility for the acts
9 of the individual navigators that it employs, supervises, or is
10 affiliated with that are performed in this state and that are within
11 the scope of the navigator's apparent authority; and

12 3. Pays a registration fee prescribed by the Commissioner not
13 to exceed Fifty Dollars (\$50.00).

14 D. ~~The~~ Except as otherwise required under this subsection, the
15 registration of an individual navigator or navigator entity shall
16 expire one year after issuance. An individual applicant for a
17 renewal registration shall provide proof that he or she has
18 completed continuing education as required under the federal act and
19 shall establish to the satisfaction of the Commissioner that he or
20 she has read and will comply with written materials provided by the
21 Commissioner concerning ethics, consumer privacy, the insurance laws
22 of this state and any other topic or topics the Commissioner deems
23 necessary and attests to such understanding and intent to comply
24 with all state statutes and rules. If the navigator fails to

1 qualify for a renewal, the license shall be inactive. If the
2 license has been inactive for less than twelve (12) months and the
3 navigator meets the requirements for renewal, the registration shall
4 be reinstated after the navigator pays a fee of Two Hundred Fifty
5 Dollars (\$250.00) and no re-examination shall be required. After
6 the registration has been inactive for more than twelve (12) months,
7 the registration shall be terminated. The Department shall only
8 terminate a registration that failed to renew after the twelve-month
9 inactive period required under this subsection and upon notification
10 by first-class mail ninety (90) days prior to termination of any
11 registration. The provisions of this subsection shall not apply to
12 a navigator that willfully and knowingly violates any provision of
13 this Code as to which refusal, suspension or revocation is
14 mandatory.

15 E. A registered individual navigator must:

16 1. Provide a disclaimer in a form prescribed by the
17 Commissioner to each individual or group whom the navigator assists,
18 which shall include the name of the navigator and the navigator
19 entity;

20 2. Record the name and contact information for each individual
21 or group whom the navigator assists in enrolling on the exchange and
22 the date of contact and provide such information to the navigator
23 entity immediately;

1 3. Allow for an on-site inspection of operations and records
2 specifically related to the fulfillment of the enrollment or
3 assistance with enrollment duties as required by this act by the
4 navigator at any time, including providing summary reports as
5 requested by the Commissioner, which shall not include personally
6 identifiable information. Provided, however, a registered
7 individual navigator shall, upon inquiry by the Commissioner, verify
8 the name, contact information, and date of contact for an individual
9 or group assisted in enrolling on the exchange by the navigator;

10 4. Report to the Commissioner any administrative action taken
11 by a governmental agency against the navigator in this state or in
12 any other jurisdiction within thirty (30) calendar days of the final
13 disposition of the matter;

14 5. Report to the Commissioner any criminal prosecution of the
15 navigator taken in any jurisdiction within thirty (30) calendar days
16 of the initial pretrial hearing date; and

17 6. Notify the Commissioner within ten (10) calendar days of any
18 action by an exchange or related party that restricts or terminates
19 the navigator's authorization to act as a navigator.

20 F. A registered navigator entity must:

21 1. Maintain a record of all individuals employed or overseen as
22 a navigator for a period of three (3) years following the
23 termination of the employment or oversight of the individual as a
24 navigator;

1 2. Maintain all records required to be provided to the
2 navigator entity by registered navigators for a period of three (3)
3 years following the termination of the employment or oversight of
4 each individual as a navigator;

5 3. Allow for an on-site inspection of operations and records
6 specifically related to the fulfillment of the enrollment or
7 assistance with enrollment duties as required by this act by the
8 navigator at any time, including providing summary reports as
9 requested by the Commissioner, which shall not include personally
10 identifiable information. Provided, however, a registered navigator
11 entity shall, upon inquiry by the Commissioner, verify the name,
12 contact information, and date of contact for an individual or group
13 assisted in enrolling on the exchange by any navigator employed or
14 overseen by the navigator entity;

15 4. Provide the Commissioner with a list of all individual
16 navigators that it employs, supervises or is affiliated with, in a
17 manner prescribed by the Commissioner; and

18 5. Report to the Commissioner any termination of employment,
19 engagement, affiliation or other relationship with an individual
20 navigator within thirty (30) days, using a format prescribed by the
21 Commissioner, if the navigator is terminated for failing to comply
22 with any requirement of this title.

23 G. Any person who acts as a navigator without holding an active
24 registration at the time of the action shall be guilty of a

1 misdemeanor and shall be punished by the imposition of a fine of not
2 more than Two Hundred Fifty Dollars (\$250.00) or imprisonment in the
3 county jail for not less than three (3) months nor more than six (6)
4 months, or be punished by both such fine and imprisonment.

5 H. Any navigator who violates the provisions of this act shall
6 be subject to a civil fine of not less than Fifty Dollars (\$50.00)
7 nor more than Five Hundred Dollars (\$500.00) for each occurrence.

8 I. Any navigator entity that allows an individual who is
9 employed or overseen by the navigator entity to interact with
10 individuals or groups performing any of the functions of a navigator
11 without an active registration shall be subject to a civil fine of
12 not more than Five Hundred Dollars (\$500.00) for each individual or
13 group with whom the unregistered individual interacts as a navigator
14 and a civil fine of not more than Fifty Dollars (\$50.00) for each
15 day the unregistered individual performs acts as a navigator.

16 J. Any navigator entity that fails to retain the documentation
17 required by this act shall be subject to a civil fine of not less
18 than Fifty Dollars (\$50.00) nor more than Five Hundred Dollars
19 (\$500.00) for each occurrence.

20 SECTION 5. AMENDATORY 36 O.S. 2011, Section 1435.13, as
21 amended by Section 3, Chapter 294, O.S.L. 2019 (36 O.S. Supp. 2020,
22 Section 1435.13), is amended to read as follows:

23 Section 1435.13 A. The Except as otherwise provided in this
24 section, the Insurance Commissioner may place on probation, censure,

1 suspend, revoke or refuse to issue or renew a license issued
2 pursuant to the Oklahoma Producer Licensing Act or may levy a civil
3 penalty in accordance with subsection D of this section or any
4 combination of actions, for any one or more of the following causes:

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

7 2. Violating any insurance laws, or violating any regulation,
8 subpoena or order of the Insurance Commissioner or of another
9 state's Insurance Commissioner;

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

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

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

17 6. Having been convicted of a felony;

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

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

1 9. Having an insurance producer license, or its equivalent,
2 denied, suspended, censured, placed on probation or revoked in any
3 other state, province, district or territory;

4 10. Forging another's name to an application for insurance or
5 to any document related to an insurance transaction;

6 11. Improperly using notes or any other reference material to
7 complete an examination for an insurance license;

8 12. Knowingly accepting insurance business from an individual
9 who is not licensed;

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

12 14. Failing to pay state income tax or comply with any
13 administrative or court order directing payment of state income tax;

14 15. Failing to respond to an inquiry from the Department as
15 required in Section 1250.4 of this title; or

16 16. Any cause for which an original issuance of a license could
17 have been refused.

18 B. 1. In the event that the action by the Insurance
19 Commissioner is to nonrenew or to deny an application for a license,
20 the Insurance Commissioner shall notify the applicant or licensee
21 and advise the applicant or licensee, in writing, of the reason for
22 the denial or nonrenewal of the applicant's or licensee's license.
23 The applicant or licensee may make written demand upon the Insurance
24 Commissioner within thirty (30) days of the date of notification of

1 the notification by the Insurance Commissioner for a hearing before
2 the Insurance Commissioner or an independent hearing examiner to
3 determine the reasonableness of the Insurance Commissioner's action.
4 The hearing shall be heard within a reasonable time period and shall
5 be held pursuant to the Oklahoma Administrative Procedures Act.

6 2. If the licensee fails to qualify for a renewal, the license
7 shall be inactive. If the license has been inactive for less than
8 twelve (12) months and the licensee meets the requirements for
9 renewal, the license shall be reinstated after the licensee pays a
10 fee of Two Hundred Fifty Dollars (\$250.00) and no re-examination
11 shall be required. After the license has been inactive for more
12 than twelve (12) months, the license shall be terminated. The
13 Department shall only terminate a license that failed to renew after
14 the twelve-month inactive period required under this subsection and
15 upon notification by first-class mail ninety (90) days prior to
16 termination of any license. The provisions of this subsection shall
17 not apply to a licensee that willfully and knowingly violates any
18 provision of this Code as to which refusal, suspension or revocation
19 is mandatory.

20 C. The license of a business entity may be suspended, revoked
21 or refused if the Insurance Commissioner finds, after opportunity
22 for hearing, that an individual licensee's violation was known or
23 should have been known by one or more of the partners, officers or
24 managers acting on behalf of the partnership or corporation and the

1 violation was neither reported to the Insurance Commissioner nor
2 corrective action taken.

3 D. In addition to or in lieu of any applicable denial,
4 probation, censure, suspension or revocation of a license, a person
5 may, after opportunity for hearing, be subject to a civil fine of
6 not less than One Hundred Dollars (\$100.00) nor more than One
7 Thousand Dollars (\$1,000.00) for each occurrence. The penalty may
8 be enforced in the same manner in which civil judgments may be
9 enforced.

10 E. Every licensee licensed pursuant to the provisions of the
11 Oklahoma Producer Licensing Act shall keep at the licensee's place
12 of business the usual and customary records pertaining to
13 transactions authorized by the license. All records as to any
14 particular transactions shall be kept available and open to the
15 inspection of the Commissioner at any time during business hours
16 during the three (3) years immediately following the date of
17 completion of the transaction. The Commissioner may require a
18 financial or market conduct examination during any investigation of
19 a licensee. The cost of such examination shall be apportioned among
20 all of the appointing insurers of the licensee.

21 F. The Insurance Commissioner shall retain the authority to
22 enforce the provisions of and impose any penalty or remedy
23 authorized by the Oklahoma Producer Licensing Act and Title 36 of
24 the Oklahoma Statutes against any person who is under investigation

1 for or charged with a violation of the Oklahoma Producer Licensing
2 Act or Title 36 of the Oklahoma Statutes even if the person's
3 license or registration has been surrendered or has lapsed by
4 operation of law.

5 G. Files pertaining to investigations or legal matters which
6 contain information concurring a current and ongoing investigation
7 of allegations of violations of the Oklahoma Insurance Code by a
8 licensed agent shall not be available for public inspection without
9 proper judicial authorization; however, a licensee under
10 investigation for alleged violations of the Oklahoma Insurance Code,
11 or against whom an action for alleged violations of the Oklahoma
12 Insurance Code has been commenced, may view evidence and complaints
13 pertaining to the investigation, other than privileged information,
14 at reasonable times at the Commissioner's office. All qualification
15 examination materials, booklets and answers for any license
16 authorized to be issued by the Commissioner under any statute shall
17 not be available for public inspection. The residence address,
18 residence telephone number, birth date, and Social Security number
19 of a licensee shall not be available for public inspection. A
20 separate business or mailing address provided by the licensee shall
21 be considered a public record. If the residence and business
22 addresses or residence and business telephone numbers are the same,
23 such addresses or telephone numbers shall be considered a public
24 record.

1 H. The Commissioner shall promptly notify all appointing
2 insurers, where applicable, and the licensee regarding any censure,
3 suspension, revocation or termination of license by the
4 Commissioner.

5 I. Upon suspension, revocation or termination of the license of
6 a resident or nonresident of this state, the Commissioner shall
7 notify the Central Office of the National Association of Insurance
8 Commissioners, or its appropriate nonprofit affiliates and the
9 Insurance Commissioner of each state for whom the Commissioner has
10 executed a certificate of licensure status.

11 J. The Commissioner may issue a duplicate license for any lost,
12 stolen or destroyed license issued pursuant to the Oklahoma Producer
13 Licensing Act upon an affidavit of the licensee prescribed by the
14 Commissioner concerning the facts of such loss, theft or
15 destruction.

16 SECTION 6. AMENDATORY 36 O.S. 2011, Section 1435.29, as
17 amended by Section 7, Chapter 11, O.S.L. 2012 (36 O.S. Supp. 2020,
18 Section 1435.29), is amended to read as follows:

19 Section 1435.29 A. 1. Each insurance producer, with the
20 exception of title producers~~and~~, aircraft title producers,
21 producers that have maintained an insurance producer license for
22 thirty (30) or more years or any other producer exempt by rule,
23 shall, biennially, complete not less than twenty-one (21) clock
24

1 hours of continuing insurance education. Such education may include
2 a written or oral examination.

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

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

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

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

- 21 a. employees of the Insurance Commissioner,
- 22 b. a continuing education advisory committee, or
- 23 c. an independent service whose normal business
24 activities include the review and approval of

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

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

20 The Insurance Commissioner may certify providers and courses
21 offered for license examination study. The Insurance Department
22 shall use employees of the Insurance Commissioner to review and
23 certify license examination study program providers and courses.
24

1 2. Each insurance company shall be allowed to provide
2 continuing education to insurance producers and customer service
3 representatives as required by this section; provided that such
4 continuing education meets the general standards for education
5 otherwise established by the Insurance Commissioner.

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

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

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

1 disallow all or part of a presumptively approved course.
2 Professional association courses approved in accordance with this
3 paragraph shall be reviewed every three (3) years to determine
4 whether they continue to qualify for continuing education credit.

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

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

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

23 2. The Commissioner may assess a civil penalty, after notice
24 and opportunity for hearing, against a continuing education provider

1 who fails to comply with the requirements of the Oklahoma Producer
2 Licensing Act, of not less than One Hundred Dollars (\$100.00) nor
3 more than Five Hundred Dollars (\$500.00), for each occurrence. The
4 civil penalty may be enforced in the same manner in which civil
5 judgments may be enforced.

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

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

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

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

20 SECTION 7. AMENDATORY 36 O.S. 2011, Section 2727.1, is
21 amended to read as follows:

22 Section 2727.1 A. Societies which are authorized prior to the
23 effective date of this act to transact business in this state may
24 continue such business until the last day of February next

1 succeeding the effective date of this act. The authority of such
2 societies and of all societies licensed on and after the effective
3 date of this act may be renewed annually, to terminate in all cases
4 on the last day of the succeeding February. However, a license so
5 issued shall continue in full force and effect until the new license
6 is issued or specifically refused. For each such license or renewal
7 the society shall pay to the Insurance Commissioner the fee stated
8 in Section 321 of Title 36 of the Oklahoma Statutes. A duly
9 certified copy or duplicate of such license shall be prima facie
10 evidence that the licensee is a fraternal benefit society within the
11 meaning of this article.

12 B. If the society fails to qualify for a renewal, the license
13 shall be inactive. If the license has been inactive for less than
14 twelve (12) months and the society meets the requirements for
15 renewal, the license shall be reinstated after the society pays a
16 fee of Two Hundred Fifty Dollars (\$250.00) and no re-examination
17 shall be required. After the license has been inactive for more
18 than twelve (12) months, the license shall be terminated. The
19 Department shall only terminate a license that failed to renew after
20 the twelve-month inactive period required under this subsection and
21 upon notification by first-class mail ninety (90) days prior to
22 termination of any license. The provisions of this subsection shall
23 not apply to an society that willfully and knowingly violates any
24

1 provision of this Code as to which refusal, suspension, or
2 revocation is mandatory.

3 SECTION 8. AMENDATORY 36 O.S. 2011, Section 4055.4, is
4 amended to read as follows:

5 Section 4055.4 A. The Insurance Commissioner may refuse to
6 issue, suspend, revoke or refuse to renew the license of a viatical
7 settlement provider or viatical settlement broker if the
8 Commissioner finds that:

9 1. There was any material misrepresentation in the application
10 for the license;

11 2. The licensee or any officer, partner, member or key
12 management personnel has been convicted of fraudulent or dishonest
13 practices, is subject to a final administrative action or is
14 otherwise shown to be untrustworthy or incompetent;

15 3. The viatical settlement provider demonstrates a pattern of
16 unreasonable payments to viators;

17 4. The licensee or any officer, partner, member or key
18 management personnel has been found guilty of, or has pleaded guilty
19 or nolo contendere to, any felony, or to a misdemeanor involving
20 fraud or moral turpitude, regardless of whether a judgment of
21 conviction has been entered by the court;

22 5. The viatical settlement provider has entered into any
23 viatical settlement contract that has not been approved pursuant to
24 the Viatical Settlements Act of 2008;

1 6. The viatical settlement provider has failed to honor
2 contractual obligations set out in a viatical settlement contract;

3 7. The licensee no longer meets the requirements for initial
4 licensure;

5 8. The viatical settlement provider has assigned, transferred
6 or pledged a viaticated policy to a person other than a viatical
7 settlement provider licensed in this state, viatical settlement
8 purchaser, an accredited investor or qualified institutional buyer
9 as defined respectively in Rule 501(a) or Rule 144A promulgated
10 under the Federal Securities Act of 1933, as amended, financing
11 entity, special purpose entity, or related provider trust; or

12 9. The licensee or any officer, partner, member or key
13 management personnel has violated any provision of the Viatical
14 Settlements Act of 2008.

15 B. The Commissioner may suspend, revoke or refuse to renew the
16 license of a viatical settlement broker or a life insurance producer
17 operating as a viatical settlement broker pursuant to the Viatical
18 Settlements Act of 2008 if the Commissioner finds that the viatical
19 settlement broker or life insurance producer has violated the
20 provisions of the Viatical Settlements Act of 2008 or has otherwise
21 engaged in bad-faith conduct with one or more viators.

22 C. If the Commissioner denies a license application or
23 suspends, revokes or refuses to renew the license of a viatical
24 settlement provider, viatical settlement broker or suspends,

1 revokes, or refuses to renew a license of a life insurance producer
2 operating as a viatical settlement broker pursuant to the Viatical
3 Settlements Act of 2008 the Commissioner shall conduct a hearing in
4 accordance with the Administrative Procedures Act.

5 D. If the licensee fails to qualify for a renewal, the license
6 shall be inactive. If the license has been inactive for less than
7 twelve (12) months and the licensee meets the requirements for
8 renewal, the license shall be reinstated after the licensee pays a
9 fee of Two Hundred Fifty Dollars (\$250.00) and no re-examination
10 shall be required. After the license has been inactive for more
11 than twelve (12) months, the license shall be terminated. The
12 Department shall only terminate a license that failed to renew after
13 the twelve-month inactive period required under this subsection and
14 upon notification by first-class mail ninety (90) days prior to
15 termination of any license. The provisions of this subsection shall
16 not apply to a licensee that willfully and knowingly violates any
17 provision of this Code as to which refusal, suspension, or
18 revocation is mandatory.

19 SECTION 9. 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 2020, 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 of continuing insurance education, of which three (3) hours
8 shall be in ethics, within the previous twenty-four (24) months
9 prior to renewal of the license, provided that anyone who has
10 maintained a license as an adjuster for thirty (30) or more years
11 shall be exempt from any continuing insurance education
12 requirements. The Insurance Commissioner shall approve courses and
13 providers of continuing education for insurance adjusters as
14 required by this section.

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

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

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

8 C. An adjuster who, during the time period prior to renewal,
9 participates in an approved professional designation program shall
10 be deemed to have met the biennial requirement for continuing
11 education. Each course in the curriculum for the program shall
12 total a minimum of twenty-four (24) hours. Each approved
13 professional designation program included in this section shall be
14 reviewed for quality and compliance every three (3) years in
15 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.

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 license, unless revoked or suspended prior to the expiration
20 date, until the issuance of a renewal license or until the
21 expiration of ten (10) days after the Commissioner has refused to
22 renew the license and has mailed notice of said refusal to the
23 licensee. Any request for renewal filed after the date of
24

1 expiration may be considered by the Commissioner as an application
2 for a new license.

3 I. If the licensee fails to qualify for a renewal, the license
4 shall be inactive. If the license has been inactive for less than
5 twelve (12) months and the licensee meets the requirements for
6 renewal, the license shall be reinstated after the licensee pays a
7 fee of Two Hundred Fifty Dollars (\$250.00) and no re-examination
8 shall be required. After the license has been inactive for more
9 than twelve (12) months, the license shall be terminated. The
10 Department shall only terminate a license that failed to renew after
11 the twelve-month inactive period required under this subsection and
12 upon notification by first-class mail ninety (90) days prior to
13 termination of any license. The provisions of this subsection shall
14 not apply to a licensee that willfully and knowingly violates any
15 provision of this Code as to which refusal, suspension or revocation
16 is mandatory.

17 SECTION 10. AMENDATORY 36 O.S. 2011, Section 6220, as
18 last amended by Section 10, Chapter 294, O.S.L. 2019 (36 O.S. Supp.
19 2020, Section 6220), is amended to read as follows:

20 Section 6220. A. The Commissioner may censure, suspend,
21 revoke, or refuse to issue or renew a license after hearing for any
22 of the following causes:

23 1. Material misrepresentation or fraud in obtaining an
24 adjuster's license;

1 2. Any cause for which original issuance of a license could
2 have been refused;

3 3. Misappropriation, conversion to the personal use of the
4 licensee, or illegal withholding of monies required to be held by
5 the licensee in a fiduciary capacity;

6 4. Material misrepresentation of the terms and effect of any
7 insurance contract, with intent to deceive, or engaging in, or
8 attempting to engage in, any fraudulent transaction with respect to
9 a claim or loss that the licensee or the trainee is adjusting and,
10 in the case of a public adjuster, misrepresentation of the services
11 offered or the fees or commission to be charged;

12 5. Conviction of or pleading guilty or nolo contendere to a
13 felony pursuant to the laws of this state, any other state, the
14 United States, or any foreign country;

15 6. If in the conduct of business affairs, the licensee or
16 trainee has shown himself to be, and is so deemed by the
17 Commissioner, incompetent, untrustworthy or a source of injury to
18 the public;

19 7. Refusal to comply with any lawful order of the Commissioner;

20 8. Violation of any provision of the Insurance Adjusters
21 Licensing Act;

22 9. Adjusting losses or negotiating claim settlements arising
23 pursuant to provisions of insurance contracts on behalf of an
24

1 insurer or insured without proper licensing from the Commissioner
2 and authority from the licensed insurer or the insured party;

3 10. Failing to respond to any inquiry (including electronic
4 communications) from the Department within thirty (30) calendar days
5 of receipt of such inquiry;

6 11. Forging another's name to any document;

7 12. Improperly using notes or any other reference material to
8 complete an examination for an insurance license;

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

11 14. Having an insurance adjuster license or its equivalent
12 denied, suspended, censured, placed on probation or revoked in any
13 other state, province, district or territory;

14 15. Failing to inform the Department, by any means acceptable
15 to the Department, of a change of address, change of legal name or
16 change of information submitted on the application within thirty
17 (30) days of the change; or

18 16. Providing services as a public adjuster, company adjuster
19 or independent adjuster on the same claim.

20 B. In addition to or in lieu of any applicable denial,
21 suspension, or revocation of a license, any person violating the
22 provisions of the Insurance Adjusters Licensing Act may be subject
23 to a civil fine of not more than One Thousand Dollars (\$1,000.00)
24

1 for each violation. This fine may be enforced in the same manner in
2 which civil judgment may be enforced.

3 C. If the license of an adjuster is suspended, revoked, or not
4 renewed, the licensee shall surrender the license to the
5 Commissioner.

6 D. The Commissioner shall not reinstate a license to any person
7 whose license has been suspended, revoked, or refused renewal until
8 the Commissioner determines that the cause or causes for the
9 suspension, revocation, or nonrenewal of the license no longer
10 exist.

11 E. The Department shall retain the authority to enforce the
12 provisions of and impose any penalty or remedy authorized by this
13 title against any person who is under investigation for or charged
14 with a violation even if the person's license or registration has
15 been surrendered or has lapsed by operation of law.

16 F. It shall be unlawful for any person, firm, association,
17 company or corporation to act as an adjuster without first obtaining
18 a license pursuant to the Insurance Adjusters Licensing Act. Any
19 person convicted of violating the provisions of this subsection
20 shall be guilty of a misdemeanor and shall be punished as set forth
21 in Section 10 of Title 21 of the Oklahoma Statutes. The restriction
22 set forth in this subsection shall apply regardless of whether the
23 person, firm, association, company or corporation has obtained power
24 of attorney from an insurance claimant or has entered into any other

1 agreement with an insurance claimant to act on the behalf of the
2 claimant.

3 G. If the licensee fails to qualify for a renewal, the license
4 shall be inactive. If the license has been inactive for less than
5 twelve (12) months and the licensee meets the requirements for
6 renewal, the license shall be reinstated after the licensee pays a
7 fee of Two Hundred Fifty Dollars (\$250.00) and no re-examination
8 shall be required. After the license has been inactive for more
9 than twelve (12) months, the license shall be terminated. The
10 Department shall only terminate a license that failed to renew after
11 the twelve-month inactive period required under this subsection and
12 upon notification by first-class mail ninety (90) days prior to
13 termination of any license. The provisions of this subsection shall
14 not apply to a licensee that willfully and knowingly violates any
15 provision of this Code as to which refusal, suspension or revocation
16 is mandatory.

17 SECTION 11. AMENDATORY 36 O.S. 2011, Section 6560, is
18 amended to read as follows:

19 Section 6560. A. A Except as otherwise provided in this
20 section, a certificate expires is inactive on the first anniversary
21 of its effective date unless the certificate is renewed for a one-
22 year term as provided in this section.

23 B. Before the certificate ~~expires~~ is inactive, a certificate
24 may be renewed for an additional one-year term, if the applicant:

1 1. Otherwise is entitled to the certificate;

2 2. Pays the Insurance Commissioner an annual renewal fee in the
3 amount of Five Hundred Dollars (\$500.00);

4 3. Submits to the Commissioner:

5 a. a renewal application on the form that the
6 Commissioner requires, and

7 b. satisfactory evidence of compliance with any
8 requirement for certificate renewal;

9 4. Establishes and maintains a complaint system which has been
10 approved by the Commissioner and which provides reasonable
11 procedures for the resolution of written complaints concerning
12 utilization review; and

13 5. Maintains records of written complaints for five (5) years
14 from the time the complaints are filed and submits to the
15 Commissioner a summary report at such times and in such format as
16 the Commissioner may require.

17 C. If the applicant fails to qualify for a renewal as provided
18 in subsection B of this section, the certificate shall be inactive.
19 If the certificate has been inactive for less than twelve (12)
20 months and the applicant meets the requirements for renewal, the
21 certificate shall be reinstated after the applicant pays a fee of
22 Two Hundred Fifty Dollars (\$250.00) and no re-examination shall be
23 required. After the certificate has been inactive for more than
24 twelve (12) months, the certificate shall be terminated. The

1 Department shall only terminate a certificate that failed to renew
2 after the twelve-month inactive period required under this
3 subsection and upon notification by first-class mail ninety (90)
4 days prior to termination of any certification. The provisions of
5 this subsection shall not apply to an applicant that willfully and
6 knowingly violates any provision of this Code as to which refusal,
7 suspension or revocation is mandatory.

8 SECTION 12. AMENDATORY 36 O.S. 2011, Section 6561, is
9 amended to read as follows:

10 Section 6561. A. The Insurance Commissioner may refuse to
11 issue or renew or may suspend or revoke a certificate if the holder
12 does not comply with performance assurances under this section,
13 violates any provision of the Hospital and Medical Services
14 Utilization Review Act, or violates any rule adopted pursuant
15 thereto.

16 B. The Commissioner shall deny or refuse to renew a certificate
17 to any applicant if, upon review of the application, the
18 Commissioner finds that the applicant proposing to conduct
19 utilization review does not:

20 1. Have available the services of a sufficient number of
21 qualified medical professionals supervised by appropriate health
22 care providers to carry out the applicant's utilization review
23 activities. Said sufficiency shall be based on standards and
24

1 criteria pursuant to the provisions of subparagraph b of paragraph 1
2 of Section 8 of this act;

3 2. Meet any applicable rules the Commissioner adopted pursuant
4 to the Hospital and Medical Services Utilization Review Act relating
5 to the qualifications of private review agents or the performance of
6 utilization review; and

7 3. Provide assurances satisfactory to the Commissioner that:

8 a. the procedure and policies of the private review agent
9 shall protect the confidentiality of medical records,
10 and

11 b. the review agent shall be reasonably accessible in
12 this state to patients, hospitals and health care
13 providers as required by this act.

14 C. Before denying, not renewing, or revoking a certificate, the
15 Commissioner shall provide the applicant or certificate holder with
16 reasonable time to supply additional information demonstrating
17 compliance with the requirements of the Hospital and Medical
18 Services Utilization Review Act and the opportunity to request a
19 hearing. If an applicant or certificate holder requests a hearing,
20 the Commissioner shall send a hearing notice and conduct a hearing
21 in accordance with the Administrative Procedures Act.

22 D. Any person aggrieved by a final decision of the Commissioner
23 in a contested case may appeal the decision as provided for in the
24 Administrative Procedures Act.

1 E. If the applicant fails to qualify for a renewal as provided
2 in subsection B of this section, the certificate shall be inactive.
3 If the certificate has been inactive for less than twelve (12)
4 months and the applicant meets the requirements for renewal, the
5 certificate shall be reinstated after the applicant pays a fee of
6 Two Hundred Fifty Dollars (\$250.00) and no re-examination shall be
7 required. After the certificate has been inactive for more than
8 twelve (12) months, the certificate shall be terminated. The
9 Department shall only terminate a certificate that failed to renew
10 after the twelve-month inactive period required under this
11 subsection and upon notification by first-class mail ninety (90)
12 days prior to termination of any certification. The provisions of
13 this subsection shall not apply to an applicant that willfully and
14 knowingly violates any provision of this Code as to which refusal,
15 suspension or revocation is mandatory.

16 SECTION 13. AMENDATORY 59 O.S. 2011, Section 1304, as
17 amended by Section 1, Chapter 150, O.S.L. 2013 (59 O.S. Supp. 2020,
18 Section 1304), is amended to read as follows:

19 Section 1304. A. Each bail bondsman license issued shall
20 ~~expire~~ inactivate biennially at 12:00 o'clock midnight on the last
21 day of the birth month of the bondsman, unless revoked or suspended
22 prior thereto by the Insurance Commissioner.

23 B. If the bondman fails to qualify for a renewal, the license
24 shall be inactive. If the license has been inactive for less than

1 twelve (12) months and the bondman meets the requirements for
2 renewal, the license shall be reinstated after the bondman pays a
3 fee of Two Hundred Fifty Dollars (\$250.00) and no re-examination
4 shall be required. After the license has been inactive for more
5 than twelve (12) months, the license shall be terminated. The
6 Department shall only terminate a license that failed to renew after
7 the twelve-month inactive period required under this subsection and
8 upon notification by first-class mail ninety (90) days prior to
9 termination of any license. The provisions of this subsection shall
10 not apply to a bondman that willfully and knowingly violates any
11 provision of this Code as to which refusal, suspension or revocation
12 is mandatory.

13 SECTION 14. AMENDATORY 59 O.S. 2011, Section 1308.1, as
14 amended by Section 1, Chapter 259, O.S.L. 2019 (59 O.S. Supp. 2020,
15 Section 1308.1), is amended to read as follows:

16 Section 1308.1 A. In order to be eligible to take the
17 examination required to be licensed as a bail bondsman, each person
18 shall complete not less than sixteen (16) clock hours of education
19 in subjects pertinent to the duties and responsibilities of a bail
20 bondsman, including all laws and regulations related thereto.
21 Further, each licensee shall complete biennially not less than
22 sixteen (16) clock hours of continuing education in the subjects
23 prior to renewal of the license, provided that licensees that have
24 maintained a license as a bail bondsman for thirty (30) or more

1 years shall be exempt from any continuing education requirements.

2 Such continuing education shall not include a written or oral
3 examination.

4 Provided, any person licensed as a bail bondsman prior to
5 November 1, 1989, shall not be required to complete sixteen (16)
6 clock hours of education prior to licensure but shall be subject to
7 the sixteen-hour continuing education requirement in order to renew
8 the license, except that a licensed bail bondsman who is sixty-five
9 (65) years of age or older and who has been licensed as a bail
10 bondsman for fifteen (15) years or more shall be exempt from both
11 the education and continuing education requirements of this section.

12 B. Education shall be provided for bail bondsman licensure as
13 required by this section; provided that the Insurance Commissioner
14 shall approve the courses offered and provided further such
15 education meets the general standards for education established by
16 the Insurance Commissioner.

17 The education provider shall submit biennially a fee of Two
18 Hundred Dollars (\$200.00), payable to the Insurance Commissioner
19 which shall be deposited with the State Treasurer for the purposes
20 of fulfilling and accomplishing the conditions and purposes of this
21 section.

22 C. Any person who falsely represents to the Insurance
23 Commissioner that compliance with this section has been met shall be
24

1 subject, after notice and hearing, to the penalties and fines set
2 out in Section 1310 of this title.

3 D. The Commissioner shall adopt and promulgate such rules as
4 are necessary for effective administration of this section.

5 SECTION 15. AMENDATORY 59 O.S. 2011, Section 1309, as
6 last amended by Section 3, Chapter 110, O.S.L. 2015 (59 O.S. Supp.
7 2020, Section 1309), is amended to read as follows:

8 Section 1309. A. A renewal license shall be issued by the
9 Insurance Commissioner to a licensee who has continuously maintained
10 same in effect, without further examination, upon payment of a
11 renewal fee of Two Hundred Dollars (\$200.00) for a cash, property,
12 surety, or professional bail bondsman or One Thousand Dollars
13 (\$1,000.00) for a multicounty agent bondsman, and proof of
14 completion of sixteen (16) hours of continuing education as required
15 by Section 1308.1 of this title. The renewal fee for licenses
16 expiring September 15, 2012, shall be prorated to the birth month of
17 the bondsman. Thereafter the renewal fee shall be submitted
18 biennially by the last day of the birth month of the bondsman. Such
19 licensee shall in all other respects be required to comply with and
20 be subject to the provisions of Section 1301 et seq. of this title.

21 B. An individual holding a professional bondsman license or
22 multicounty agent bondsman license shall also provide an annual
23 audited financial statement prepared by an accounting firm or
24 individual holding a permit to practice public accounting in this

1 state in accordance with the Statements on Auditing Standards
2 promulgated by the Auditing Standards Board of the American
3 Institute of Certified Public Accountants showing assets,
4 liabilities, and net worth, the annual statement to be as of a date
5 not earlier than June 30. The statements shall be attested to by an
6 unqualified opinion of the accounting firm or individual holding a
7 permit to practice public accounting in this state that prepared the
8 statement or statements. The statement shall be submitted annually
9 by the last day of September.

10 C. An individual holding a property bondsman license shall also
11 provide an annual county assessor's written statement stating the
12 property's assessed value for each property used to post bonds and a
13 written statement from any lien holder stating the current payoff
14 amount on each lien for each property used to post bonds. The
15 written statements shall be submitted annually by the last day of
16 September.

17 D. If the license is not renewed or the renewal fee is not paid
18 by the last day of the birth month of the bondsman, the license
19 shall ~~expire~~ inactivate automatically pursuant to Section 1304 of
20 this title. ~~After expiration, the license may be reinstated for up~~
21 ~~to one (1) year following the expiration date. If after the one~~
22 ~~year date the license has not been reinstated, the licensee shall be~~
23 ~~required to apply for a license as a new applicant.~~

24 E. Reinstatement fees shall be double the original fee.

SECTION 16. This act shall become effective November 1, 2021.

58-1-7890 AMM 03/05/21