

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 58th Legislature (2021)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2403

By: Russ

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9                               COMMITTEE SUBSTITUTE

10           An Act relating to licenses and certificates;  
11           amending 36 O.S. 2011, Section 617, which relates to  
12           insurance certificates; requiring suspension of  
13           license or certificate for failure to qualify for  
14           renewal; imposing reinstatement fees; allowing  
15           termination of license or certificate after certain  
16           time period; providing exemption; amending 36 O.S.  
17           2011, Section 618, which relates to mandatory  
18           revocation or suspension; requiring suspension of  
19           license or certificate for failure to qualify for  
20           renewal; imposing reinstatement fees; allowing  
21           termination of license or certificate after certain  
22           time period; providing exemption; amending 36 O.S.  
23           2011, Section 619, which relates to revocation or  
24           suspension of insurance certificate; requiring  
            suspension of certificate for failure to qualify for  
            renewal; imposing reinstatement fees; 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  
            suspension of registration for failure to qualify for  
            renewal; imposing reinstatement fees; 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,

1 Sections 1435.13 and 1435.29), which relate to the  
2 Oklahoma Producer Licensing Act; requiring suspension  
3 of license for failure to qualify for renewal;  
4 imposing reinstatement fees; allowing termination of  
5 license after certain time period; providing  
6 exemption; providing continuing education exemption;  
7 amending 36 O.S. 2011, Section 2727.1, which relates  
8 to fraternal benefit societies; requiring suspension  
9 of license for failure to qualify for renewal;  
10 imposing reinstatement fees; allowing termination of  
11 license after certain time period; providing  
12 exemption; amending 36 O.S. 2011, Section 4055.4,  
13 which relates to the Viatical Settlements Act of  
14 2008, requiring suspension of license for failure to  
15 qualify for renewal; imposing reinstatement fees;  
16 allowing termination of license after certain time  
17 period; providing exemption; amending 36 O.S. 2011,  
18 Sections 6217, as last amended by Section 14, Chapter  
19 269, O.S.L. 2013 and 6220, as last amended by Section  
20 10, Chapter 294, O.S.L. 2019 (36 O.S. Supp. 2020,  
21 Sections 6217 and 6220), which relate to the  
22 Insurance Adjusters Licensing Act; providing  
23 continuing education exemption; requiring suspension  
24 of license for failure to qualify for renewal;  
imposing reinstatement fees; allowing termination of  
license after certain time period; providing  
exemption; amending 36 O.S. 2011, Sections 6560 and  
6561, which relate to the Hospital and Medical  
Services Utilization Review Act; requiring suspension  
of license for failure to qualify for renewal;  
imposing reinstatement fees; 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 suspension of license for failure to  
qualify for renewal; imposing reinstatement fees;  
allowing termination of license after certain time  
period; providing exemption; providing continuing  
education exemption; eliminating automatic  
expiration; and providing an effective date.

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

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

4 Section 617. A. All certificates of authority shall, beginning  
5 November 1, 2002, be perpetual and automatically renewed as of March  
6 1 of each year, unless the insurer fails to qualify for renewal  
7 pursuant to the requirements of the Insurance Code. If the insurer  
8 or holder of the license or certificate fails to qualify for a  
9 renewal, the license or certificate shall be suspended. Once the  
10 insurer or holder of the license or certificate meets the  
11 requirements for renewal, the license or certificate shall be  
12 reinstated after the insurer or holder of the license or certificate  
13 pays a fee of Two Hundred Fifty Dollars (\$250.00) if the license or  
14 certificate has been suspended for less than twelve (12) months and  
15 a fee of Five Hundred Dollars (\$500.00) if the license or  
16 certificate has been suspended for less than twenty-four (24)  
17 months. The Department shall only terminate a license or  
18 certificate that failed to renew after the twenty-four-month  
19 suspension period required under this subsection and upon  
20 notification by first-class mail. The provisions of this subsection  
21 shall not apply to an insurer or holder of a license or certificate  
22 that willfully and knowingly violates any provision of this Code as  
23 to which refusal, suspension, or revocation is mandatory.  
24

1 B. The Insurance Commissioner may amend a certificate of  
2 authority at any time to accord with changes in the insurer's  
3 charter or insuring powers.

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

6 Section 618. A. The Insurance Commissioner shall refuse to  
7 renew or shall revoke or suspend an insurer's certificate of  
8 authority:

9 1. If such action is required by any provision of this Code,<sup>7</sup>  
10 or

11 2. If the insurer no longer meets the requirements for the  
12 authority originally granted, on account of deficiency in assets or  
13 otherwise.

14 B. If the insurer or holder of the license or certificate fails  
15 to qualify for a renewal, the license or certificate shall be  
16 suspended. Once the insurer or holder of the license or certificate  
17 meets the requirements for renewal, the license or certificate shall  
18 be reinstated after the insurer or holder of the license or  
19 certificate pays a fee of Two Hundred Fifty Dollars (\$250.00) if the  
20 license or certificate has been suspended for less than twelve (12)  
21 months and a fee of Five Hundred Dollars (\$500.00) if the license or  
22 certificate has been suspended for less than twenty-four (24)  
23 months. The Department shall only terminate a license or  
24 certificate that failed to renew after the twenty-four-month

1 suspension period required under this subsection and upon  
2 notification by first-class mail. The provisions of this subsection  
3 shall not apply to an insurer or holder of a license or certificate  
4 that willfully and knowingly violates any provision of this Code as  
5 to which refusal, suspension, or revocation is mandatory.

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

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

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

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

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

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

1        5. Refuses to be examined or to produce its accounts, records,  
2 and files for examination by the Insurance Commissioner when  
3 required;

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

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

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

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

22        D. If the insurer fails to qualify for a renewal, the insurance  
23 certificate shall be suspended. Once the insurer meets the  
24 requirements for renewal, the insurance certificate shall be

1 reinstated after the insurer pays a fee of Two Hundred Fifty Dollars  
2 (\$250.00) if the certificate has been suspended for less than twelve  
3 (12) months and a fee of Five Hundred Dollars (\$500.00) if the  
4 certificate has been suspended for less than twenty-four (24)  
5 months. The Department shall only terminate a certificate that  
6 failed to renew after the twenty-four-month suspension period  
7 required under this subsection and upon notification by first-class  
8 mail. The provisions of this subsection shall not apply to an  
9 insurer that willfully and knowingly violates any provision of this  
10 Code as to which refusal, suspension, or revocation is mandatory.

11 SECTION 4. AMENDATORY Section 2, Chapter 321, O.S.L.  
12 2014, as amended by Section 2, Chapter 145, O.S.L. 2015 (36 O.S.  
13 Supp. 2020, Section 1415.3), is amended to read as follows:

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

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

1 Commissioner may not allow any applicant to register who does not  
2 meet or conform to the following qualifications or requirements:

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

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

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

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

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

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

22 C. An entity applying for a navigator entity registration shall  
23 make application on a form developed by the Commissioner and shall  
24 declare under penalty of refusal, suspension or revocation of the



1 registration that the statements made in the application are true,  
2 correct and complete to the best of the applicant's knowledge. The  
3 Commissioner shall not issue a registration to any entity applicant  
4 that does not meet or conform to the following qualifications or  
5 requirements:

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

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

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

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

1 necessary and attests to such understanding and intent to comply  
2 with all state statutes and rules. If the navigator fails to  
3 qualify for a renewal, the registration shall be suspended. Once  
4 the navigator meets the requirements for renewal, the registration  
5 shall be reinstated after the navigator pays a fee of Two Hundred  
6 Fifty Dollars (\$250.00) if the registration has been suspended for  
7 less than twelve (12) months and a fee of Five Hundred Dollars  
8 (\$500.00) if the registration has been suspended for less than  
9 twenty-four (24) months. The Department shall only terminate a  
10 registration that failed to renew after the twenty-four-month  
11 suspension period required under this subsection and upon  
12 notification by first-class mail. The provisions of this subsection  
13 shall not apply to a navigator that willfully and knowingly violates  
14 any provision of this Code as to which refusal, suspension, or  
15 revocation is mandatory.

16 E. A registered individual navigator must:

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

21 2. Record the name and contact information for each individual  
22 or group whom the navigator assists in enrolling on the exchange and  
23 the date of contact and provide such information to the navigator  
24 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 suspended. Once 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) if the license has been  
10 suspended for less than twelve (12) months and a fee of Five Hundred  
11 Dollars (\$500.00) if the license has been suspended for less than  
12 twenty-four (24) months. The Department shall only terminate a  
13 license that failed to renew after the twenty-four-month suspension  
14 period required under this subsection and upon notification by  
15 first-class mail. The provisions of this subsection shall not apply  
16 to a licensee that willfully and knowingly violates any provision of  
17 this Code as to which refusal, suspension, or revocation is  
18 mandatory.

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



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 suspended. Once the licensee meets the requirements for  
14 renewal, the license shall be reinstated after the society pays a  
15 fee of Two Hundred Fifty Dollars (\$250.00) if the license has been  
16 suspended for less than twelve (12) months and a fee of Five Hundred  
17 Dollars (\$500.00) if the license has been suspended for less than  
18 twenty-four (24) months. The Department shall only terminate a  
19 license that failed to renew after the twenty-four-month suspension  
20 period required under this subsection and upon notification by  
21 first-class mail. The provisions of this subsection shall not apply  
22 to a society that willfully and knowingly violates any provision of  
23 this Code as to which refusal, suspension or revocation is  
24 mandatory.

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

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

7       1. There was any material misrepresentation in the application  
8 for the license;

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

13       3. The viatical settlement provider demonstrates a pattern of  
14 unreasonable payments to viators;

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

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

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

1        7. The licensee no longer meets the requirements for initial  
2 licensure;

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

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

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

20       C. If the Commissioner denies a license application or  
21 suspends, revokes or refuses to renew the license of a viatical  
22 settlement provider, viatical settlement broker or suspends,  
23 revokes, or refuses to renew a license of a life insurance producer  
24 operating as a viatical settlement broker pursuant to the Viatical

1 Settlements Act of 2008 the Commissioner shall conduct a hearing in  
2 accordance with the Administrative Procedures Act.

3 D. If the licensee fails to qualify for a renewal, the license  
4 shall be suspended. Once the licensee meets the requirements for  
5 renewal, the license shall be reinstated after the licensee pays a  
6 fee of Two Hundred Fifty Dollars (\$250.00) if the license has been  
7 suspended for less than twelve (12) months and a fee of Five Hundred  
8 Dollars (\$500.00) if the license has been suspended for less than  
9 twenty-four (24) months. The Department shall only terminate a  
10 license that failed to renew after the twenty-four-month suspension  
11 period required under this subsection and upon notification by  
12 first-class mail. The provisions of this subsection shall not apply  
13 to a licensee that willfully and knowingly violates any provision of  
14 this Code as to which refusal, suspension or revocation is  
15 mandatory.

16 SECTION 9. AMENDATORY 36 O.S. 2011, Section 6217, as  
17 last amended by Section 14, Chapter 269, O.S.L. 2013 (36 O.S. Supp.  
18 2020, Section 6217), is amended to read as follows:

19 Section 6217. A. All licenses issued pursuant to the  
20 provisions of the Insurance Adjusters Licensing Act shall continue  
21 in force not longer than twenty-four (24) months. The renewal dates  
22 for the licenses may be staggered throughout the year by notifying  
23 licensees in writing of the expiration and renewal date being  
24

1 assigned to the licensees by the Insurance Commissioner and by  
2 making appropriate adjustments in the biennial licensing fee.

3 B. Any licensee applying for renewal of a license as an  
4 adjuster shall have completed not less than twenty-four (24) clock  
5 hours of continuing insurance education, of which three (3) hours  
6 shall be in ethics, within the previous twenty-four (24) months  
7 prior to renewal of the license, provided that anyone who has  
8 maintained a license as an adjuster for thirty (30) or more years  
9 shall be exempt from any continuing insurance education  
10 requirements. The Insurance Commissioner shall approve courses and  
11 providers of continuing education for insurance adjusters as  
12 required by this section.

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

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

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

6 C. An adjuster who, during the time period prior to renewal,  
7 participates in an approved professional designation program shall  
8 be deemed to have met the biennial requirement for continuing  
9 education. Each course in the curriculum for the program shall  
10 total a minimum of twenty-four (24) hours. Each approved  
11 professional designation program included in this section shall be  
12 reviewed for quality and compliance every three (3) years in  
13 accordance with standardized criteria promulgated by rule.  
14 Continuation of approved status is contingent upon the findings of  
15 the review. The list of professional designation programs approved  
16 under this subsection shall be made available to producers and  
17 providers annually.

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

1 courses approved in accordance with this subsection shall be  
2 reviewed every three (3) years to determine whether they continue to  
3 qualify for continuing education credit.

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

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

22 2. The Commissioner may assess a civil penalty, after notice  
23 and opportunity for hearing, against a continuing education provider  
24 who fails to comply with the requirements of the Insurance Adjusters

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

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

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

23 I. If the licensee fails to qualify for a renewal, the license  
24 shall be suspended. Once the licensee meets the requirements for



1 renewal, the license shall be reinstated after the licensee pays a  
2 fee of Two Hundred Fifty Dollars (\$250.00) if the license has been  
3 suspended for less than twelve (12) months and a fee of Five Hundred  
4 Dollars (\$500.00) if the license has been suspended for less than  
5 twenty-four (24) months. The Department shall only terminate a  
6 license that failed to renew after the twenty-four-month suspension  
7 period required under this subsection and upon notification by  
8 first-class mail. The provisions of this subsection shall not apply  
9 to a licensee that willfully and knowingly violates any provision of  
10 this Code as to which refusal, suspension or revocation is  
11 mandatory.

12 SECTION 10. AMENDATORY 36 O.S. 2011, Section 6220, as  
13 last amended by Section 10, Chapter 294, O.S.L. 2019 (36 O.S. Supp.  
14 2020, Section 6220), is amended to read as follows:

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

18 1. Material misrepresentation or fraud in obtaining an  
19 adjuster's license;

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

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

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

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

10       6. If in the conduct of business affairs, the licensee or  
11 trainee has shown himself to be, and is so deemed by the  
12 Commissioner, incompetent, untrustworthy or a source of injury to  
13 the public;

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

15       8. Violation of any provision of the Insurance Adjusters  
16 Licensing Act;

17       9. Adjusting losses or negotiating claim settlements arising  
18 pursuant to provisions of insurance contracts on behalf of an  
19 insurer or insured without proper licensing from the Commissioner  
20 and authority from the licensed insurer or the insured party;

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

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

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

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

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

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

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

14       B. In addition to or in lieu of any applicable denial,  
15 suspension, or revocation of a license, any person violating the  
16 provisions of the Insurance Adjusters Licensing Act may be subject  
17 to a civil fine of not more than One Thousand Dollars (\$1,000.00)  
18 for each violation. This fine may be enforced in the same manner in  
19 which civil judgment may be enforced.

20       C. If the license of an adjuster is suspended, revoked, or not  
21 renewed, the licensee shall surrender the license to the  
22 Commissioner.

23       D. The Commissioner shall not reinstate a license to any person  
24 whose license has been suspended, revoked, or refused renewal until

1 the Commissioner determines that the cause or causes for the  
2 suspension, revocation, or nonrenewal of the license no longer  
3 exist.

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

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

20 G. If the licensee fails to qualify for a renewal, the license  
21 shall be suspended. Once the licensee meets the requirements for  
22 renewal, the license shall be reinstated after the licensee pays a  
23 fee of Two Hundred Fifty Dollars (\$250.00) if the license has been  
24 suspended for less than twelve (12) months and a fee of Five Hundred

1 Dollars (\$500.00) if the license has been suspended for less than  
2 twenty-four (24) months. The Department shall only terminate a  
3 license that failed to renew after the twenty-four-month suspension  
4 period required under this subsection and upon notification by  
5 first-class mail. The provisions of this subsection shall not apply  
6 to a licensee that willfully and knowingly violates any provision of  
7 this Code as to which refusal, suspension or revocation is  
8 mandatory.

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

11 Section 6560. A. ~~A~~ Except as otherwise provided in this  
12 section, a certificate ~~expires~~ is suspended on the first anniversary  
13 of its effective date unless the certificate is renewed for a one-  
14 year term as provided in this section.

15 B. Before the certificate ~~expires~~ is suspended, a certificate  
16 may be renewed for an additional one-year term, if the applicant:

- 17 1. Otherwise is entitled to the certificate;
- 18 2. Pays the Insurance Commissioner an annual renewal fee in the  
19 amount of Five Hundred Dollars (\$500.00);
- 20 3. Submits to the Commissioner:
  - 21 a. a renewal application on the form that the  
22 Commissioner requires, and
  - 23 b. satisfactory evidence of compliance with any  
24 requirement for certificate renewal;

1       4. Establishes and maintains a complaint system which has been  
2 approved by the Commissioner and which provides reasonable  
3 procedures for the resolution of written complaints concerning  
4 utilization review; and

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

9       C. If the applicant fails to qualify for a renewal as provided  
10 in subsection B of this section, the certificate shall be suspended.  
11 Once the applicant meets the requirements for renewal, the  
12 certificate shall be reinstated after the applicant pays a fee of  
13 Two Hundred Fifty Dollars (\$250.00) if the certificate has been  
14 suspended for less than twelve (12) months and a fee of Five Hundred  
15 Dollars (\$500.00) if the certificate has been suspended for less  
16 than twenty-four (24) months. The Department shall only terminate a  
17 certificate that failed to renew after the twenty-four-month  
18 suspension period required under this subsection and upon  
19 notification by first-class mail. The provisions of this subsection  
20 shall not apply to a certificate that willfully and knowingly  
21 violates any provision of this Code as to which refusal, suspension  
22 or revocation is mandatory.

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

1       Section 6561. A. The Insurance Commissioner may refuse to  
2 issue or renew or may suspend or revoke a certificate if the holder  
3 does not comply with performance assurances under this section,  
4 violates any provision of the Hospital and Medical Services  
5 Utilization Review Act, or violates any rule adopted pursuant  
6 thereto.

7       B. The Commissioner shall deny or refuse to renew a certificate  
8 to any applicant if, upon review of the application, the  
9 Commissioner finds that the applicant proposing to conduct  
10 utilization review does not:

11       1. Have available the services of a sufficient number of  
12 qualified medical professionals supervised by appropriate health  
13 care providers to carry out the applicant's utilization review  
14 activities. Said sufficiency shall be based on standards and  
15 criteria pursuant to the provisions of subparagraph b of paragraph 1  
16 of Section 8 of this act;

17       2. Meet any applicable rules the Commissioner adopted pursuant  
18 to the Hospital and Medical Services Utilization Review Act relating  
19 to the qualifications of private review agents or the performance of  
20 utilization review; and

21       3. Provide assurances satisfactory to the Commissioner that:

22           a. the procedure and policies of the private review agent  
23               shall protect the confidentiality of medical records,  
24               and

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

4           C.    Before denying, not renewing, or revoking a certificate, the  
5 Commissioner shall provide the applicant or certificate holder with  
6 reasonable time to supply additional information demonstrating  
7 compliance with the requirements of the Hospital and Medical  
8 Services Utilization Review Act and the opportunity to request a  
9 hearing. If an applicant or certificate holder requests a hearing,  
10 the Commissioner shall send a hearing notice and conduct a hearing  
11 in accordance with the Administrative Procedures Act.

12          D.    Any person aggrieved by a final decision of the Commissioner  
13 in a contested case may appeal the decision as provided for in the  
14 Administrative Procedures Act.

15          E.    If the applicant fails to qualify for a renewal as provided  
16 in subsection B of this section, the certificate shall be suspended.  
17 Once the applicant meets the requirements for renewal, the  
18 certificate shall be reinstated after the applicant pays a fee of  
19 Two Hundred Fifty Dollars (\$250.00) if the certificate has been  
20 suspended for less than twelve (12) months and a fee of Five Hundred  
21 Dollars (\$500.00) if the certificate has been suspended for less  
22 than twenty-four (24) months. The Department shall only terminate a  
23 certificate that failed to renew after the twenty-four-month  
24 suspension period required under this subsection and upon



1 notification by first-class mail. The provisions of this subsection  
2 shall not apply to a certificate that willfully and knowingly  
3 violates any provision of this Code as to which refusal, suspension  
4 or revocation is mandatory.

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

8 Section 1304. A. Each bail bondsman license issued shall  
9 ~~expire~~ be suspended biennially at 12:00 o'clock midnight on the last  
10 day of the birth month of the bondsman, unless revoked or suspended  
11 prior thereto by the Insurance Commissioner.

12 B. If the bondman fails to qualify for a renewal as provided in  
13 section 1309 of this title, the license shall be suspended. Once  
14 the bondsman meets the requirements for renewal, the license shall  
15 be reinstated after the applicant pays a fee of Two Hundred Fifty  
16 Dollars (\$250.00) if the license has been suspended for less than  
17 twelve (12) months and a fee of Five Hundred Dollars (\$500.00) if  
18 the license has been suspended for less than twenty-four (24)  
19 months. The Department shall only terminate a license that failed  
20 to renew after the twenty-four-month suspension period required  
21 under this subsection and upon notification by first-class mail.  
22 The provisions of this subsection shall not apply to a license that  
23 willfully and knowingly violates any provision of this Code as to  
24 which refusal, suspension or revocation is mandatory.

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

4       Section 1308.1 A. In order to be eligible to take the  
5 examination required to be licensed as a bail bondsman, each person  
6 shall complete not less than sixteen (16) clock hours of education  
7 in subjects pertinent to the duties and responsibilities of a bail  
8 bondsman, including all laws and regulations related thereto.

9 Further, each licensee shall complete biennially not less than  
10 sixteen (16) clock hours of continuing education in the subjects  
11 prior to renewal of the license, provided that licensees that have  
12 maintained a license as a bail bondsman for thirty (30) or more  
13 years shall be exempt from any continuing education requirements.

14 Such continuing education shall not include a written or oral  
15 examination.

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

1 B. Education shall be provided for bail bondsman licensure as  
2 required by this section; provided that the Insurance Commissioner  
3 shall approve the courses offered and provided further such  
4 education meets the general standards for education established by  
5 the Insurance Commissioner.

6 The education provider shall submit biennially a fee of Two  
7 Hundred Dollars (\$200.00), payable to the Insurance Commissioner  
8 which shall be deposited with the State Treasurer for the purposes  
9 of fulfilling and accomplishing the conditions and purposes of this  
10 section.

11 C. Any person who falsely represents to the Insurance  
12 Commissioner that compliance with this section has been met shall be  
13 subject, after notice and hearing, to the penalties and fines set  
14 out in Section 1310 of this title.

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

17 SECTION 15. AMENDATORY 59 O.S. 2011, Section 1309, as  
18 last amended by Section 3, Chapter 110, O.S.L. 2015 (59 O.S. Supp.  
19 2020, Section 1309), is amended to read as follows:

20 Section 1309. A. A renewal license shall be issued by the  
21 Insurance Commissioner to a licensee who has continuously maintained  
22 same in effect, without further examination, upon payment of a  
23 renewal fee of Two Hundred Dollars (\$200.00) for a cash, property,  
24 surety, or professional bail bondsman or One Thousand Dollars

1 (\$1,000.00) for a multicounty agent bondsman, and proof of  
2 completion of sixteen (16) hours of continuing education as required  
3 by Section 1308.1 of this title. The renewal fee for licenses  
4 expiring September 15, 2012, shall be prorated to the birth month of  
5 the bondsman. Thereafter the renewal fee shall be submitted  
6 biennially by the last day of the birth month of the bondsman. Such  
7 licensee shall in all other respects be required to comply with and  
8 be subject to the provisions of Section 1301 et seq. of this title.

9 B. An individual holding a professional bondsman license or  
10 multicounty agent bondsman license shall also provide an annual  
11 audited financial statement prepared by an accounting firm or  
12 individual holding a permit to practice public accounting in this  
13 state in accordance with the Statements on Auditing Standards  
14 promulgated by the Auditing Standards Board of the American  
15 Institute of Certified Public Accountants showing assets,  
16 liabilities, and net worth, the annual statement to be as of a date  
17 not earlier than June 30. The statements shall be attested to by an  
18 unqualified opinion of the accounting firm or individual holding a  
19 permit to practice public accounting in this state that prepared the  
20 statement or statements. The statement shall be submitted annually  
21 by the last day of September.

22 C. An individual holding a property bondsman license shall also  
23 provide an annual county assessor's written statement stating the  
24 property's assessed value for each property used to post bonds and a

1 written statement from any lien holder stating the current payoff  
2 amount on each lien for each property used to post bonds. The  
3 written statements shall be submitted annually by the last day of  
4 September.

5 D. If the license is not renewed or the renewal fee is not paid  
6 by the last day of the birth month of the bondsman, the license  
7 shall ~~expire~~ be suspended automatically pursuant to Section 1304 of  
8 this title. ~~After expiration, the license may be reinstated for up~~  
9 ~~to one (1) year following the expiration date. If after the one~~  
10 ~~year date the license has not been reinstated, the licensee shall be~~  
11 ~~required to apply for a license as a new applicant.~~

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

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

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15 COMMITTEE REPORT BY: COMMITTEE ON INSURANCE, dated 02/24/2021 - DO  
16 PASS, As Amended.

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