

**FLOOR AMENDMENT**  
HOUSE OF REPRESENTATIVES  
State of Oklahoma

SPEAKER:

CHAIR:

I move to amend SB542 \_\_\_\_\_  
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: Chris Sneed \_\_\_\_\_

\_\_\_\_\_  
Reading Clerk

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 FLOOR SUBSTITUTE  
4 FOR ENGROSSED

5 SENATE BILL NO. 542

6 By: Montgomery of the Senate

7 and

8 Sneed of the House

9 FLOOR SUBSTITUTE

10 An Act relating to the Insurance Department; amending  
11 36 O.S. 2021, Section 109, which relates to required  
12 compliance under the insurance code; requiring  
13 certain persons and organizations to furnish adequate  
14 response within certain timeframe; requiring certain  
15 information be kept current; amending 36 O.S. 2021,  
16 Section 307, which relates to the duties of the  
17 Insurance Commissioner; modifying language concerning  
18 the Patient's Right to Pharmacy Choice Commission;  
19 amending 36 O.S. 2021, Section 307.1, which relates  
20 to rules and regulations adopted by the Commissioner;  
21 clarifying what may be adopted; amending 36 O.S.  
22 2021, Sections 312A, 313, and 319 which relate to  
23 civil penalties and fees, requirements for orders and  
24 notices, and hearings; modifying language concerning  
the Patient's Right to Pharmacy Choice Commission;  
permitting the imposition of certain penalties;  
establishing certain powers with the Insurance  
Commissioner; amending 36 O.S. 2021, Section 332,  
which relates to general duties and powers of the  
Commissioner; modifying language concerning the  
Patient's Right to Pharmacy Choice Commission;  
clarifying on what grounds certain examinations and  
investigations may be conducted; amending 36 O.S.  
2021, Section 350, which relates to filings and  
payments in electronic format; directing for  
inclusion of certain payment; amending 36 O.S. 2021,  
Section 606.1, which relates to requirements and  
procedures for certain foreign insurers to become

1 domestic insurers; modifying hearing requirements;  
2 providing inclusive language; amending 36 O.S. 2021,  
3 Section 607, as amended by Section 1, Chapter 152,  
4 O.S.L. 2022 (36 O.S. Supp. 2022, Section 607), which  
5 relates to general qualifications to transact  
6 insurance; requiring certain information be kept on  
7 file with the Commissioner; amending 36 O.S. 2021,  
8 Section 924.1, which relates to automobile or  
9 motorcycle accident prevention course; modifying  
10 language; amending 36 O.S. 2021, Section 1641, which  
11 relates to the Commissioner's rulemaking authority;  
12 modifying notice and hearing requirements; amending  
13 36 O.S. 2021, Section 6124.1, which relates to  
14 transfer of prepaid funeral benefit permits;  
15 clarifying Commissioner's duties; defining term;  
16 amending 36 O.S. 2021, Section 6652, which relates to  
17 definitions used in the Hospital and Medical Services  
18 Utilization Review Act; providing clarifying  
19 language; amending 12 O.S. 2021, Section 3226, which  
20 relates to general provisions governing discovery;  
21 modifying rules governing the production and  
22 disclosure of consumer litigation funding agreements;  
23 repealing 36 O.S. 2021, Section 107.3, 907, and 908;  
24 providing for codification; and providing an  
effective date.

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

SECTION 1. AMENDATORY 36 O.S. 2021, Section 109, is  
amended to read as follows:

Section 109. A. No person shall transact a business of  
insurance in Oklahoma without complying with the applicable  
provisions of this Code.

B. Any person and organization subject to the jurisdiction of  
the Insurance Commissioner, upon receipt of any inquiry from the  
Commissioner shall, within twenty (20) calendar days from the date

1 of receipt of the inquiry, furnish the Commissioner with an adequate  
2 response to the inquiry. Any inquiry or response subject to this  
3 subsection shall be delivered electronically.

4 C. All persons and organizations subject to the jurisdiction of  
5 the Commissioner shall keep any contact information deemed necessary  
6 by the Commissioner on file with the Insurance Department. Contact  
7 information shall be kept current and be submitted electronically in  
8 the manner and form prescribed by the Commissioner, along with any  
9 applicable fees. Any change in contact information shall be  
10 submitted within twenty (20) days of the change.

11 SECTION 2. AMENDATORY 36 O.S. 2021, Section 307, is  
12 amended to read as follows:

13 Section 307. The Insurance Commissioner shall be charged with  
14 the duty of administration and enforcement of the provisions of the  
15 Oklahoma Insurance Code, of any requirements placed on an insurance  
16 company pursuant to the Oklahoma Statutes ~~and determining the duties~~  
17 ~~assigned to the Patient's Right to Pharmacy Choice Commission.~~ The  
18 Commissioner shall have jurisdiction over complaints against all  
19 persons engaged in the business of insurance, and shall hear all  
20 matters either in person, by authorized disinterested employees or  
21 by hearing examiners appointed by the Commissioner for that purpose  
22 and not specifically addressed otherwise in this act. It shall be  
23 the duty of the Commissioner to file and safely keep all books and  
24 papers required by law to be filed with the Insurance Department,

1 and to keep and preserve in permanent form a full record of  
2 proceedings including a concise statement of the conditions of such  
3 insurers and other entities reported and examined by the Department  
4 and its examiners. The Commissioner shall, annually, at the  
5 earliest practicable date after returns are received from the  
6 several authorized insurers and other organizations, make a report  
7 to the Governor of the affairs of the office of the Commissioner,  
8 which report shall contain a tabular statement and synopsis of the  
9 several statements, as accepted by the Commissioner, which shall  
10 include with respect to each insurance company the admitted assets,  
11 liabilities except capital, capital and surplus, Oklahoma premium  
12 income, amount of claims paid in Oklahoma and such other matters as  
13 may be of benefit to the public. ~~The Commissioner shall, on a~~  
14 ~~quarterly basis, report to the Pharmacy Choice Commission an~~  
15 ~~accounting of matters relating to pharmacy benefits managers~~  
16 ~~including, but not limited to, the number and types of complaints:~~

- 17 1. ~~Received;~~
- 18 2. ~~Resolved by hearing;~~
- 19 3. ~~Resolved by settlement;~~
- 20 4. ~~Determined not to be violations; and~~
- 21 5. ~~That are outstanding.~~

22 The Commissioner may educate consumers and make recommendations  
23 regarding the subject of insurance in this state, and shall set  
24 forth in a statement the various sums received and disbursed by the

1 Department, from and to whom and for what purpose. Such report  
2 shall be published by and subject to the order of the Commissioner.  
3 The Commissioner shall, upon retiring from office, deliver to the  
4 qualified successor all furniture, records, papers and property of  
5 the office.

6 SECTION 3. AMENDATORY 36 O.S. 2021, Section 307.1, is  
7 amended to read as follows:

8 Section 307.1. The Insurance Commissioner may adopt reasonable  
9 bulletins, orders, rules and regulations for the implementation and  
10 administration of the provisions of the Insurance Code and other  
11 statutes for which the Commissioner has jurisdiction.

12 SECTION 4. AMENDATORY 36 O.S. 2021, Section 312A, is  
13 amended to read as follows:

14 Section 312A. Civil penalties and fees imposed by the Insurance  
15 Commissioner ~~or the Patient's Right to Pharmacy Choice Commission~~  
16 pursuant to Oklahoma law may be enforced in the same manner in which  
17 civil judgments may be enforced. All final orders of the Insurance  
18 Commissioner ~~or Pharmacy Choice Commission~~ imposing administrative  
19 charges, fees, civil penalties, restitution or fines may be recorded  
20 in the office of the Clerk of the District Court of Oklahoma County  
21 and, upon such recording, all appropriate writs and process shall  
22 issue and shall be enforced by the judges of said court upon  
23 application.

24

1 SECTION 5. AMENDATORY 36 O.S. 2021, Section 313, is  
2 amended to read as follows:

3 Section 313. A. Orders and notices of the Insurance  
4 Commissioner ~~or Patient's Right to Pharmacy Choice Commission~~ shall  
5 be in writing and shall be signed by ~~either~~ the Commissioner, an  
6 authorized employee of the Insurance Department, or an independent  
7 hearing examiner ~~or the Pharmacy Choice Commission~~. A final order  
8 signed by an independent hearing examiner, ~~or the chair or vice-~~  
9 ~~chair of the Pharmacy Choice Commission~~, after hearing, shall be  
10 final agency action, notwithstanding the provisions of Section 311  
11 of Title 75 of the Oklahoma Statutes.

12 B. In the exercise of the powers and the performance of the  
13 duties enumerated in this title, the Commissioner ~~and the Pharmacy~~  
14 ~~Choice Commission~~ shall comply with the procedures of the  
15 Administrative Procedures Act. Any conflict between the provisions  
16 of Title 75 of the Oklahoma Statutes and of this title shall be  
17 resolved in favor of the provisions of this title.

18 SECTION 6. AMENDATORY 36 O.S. 2021, Section 319, is  
19 amended to read as follows:

20 Section 319. ~~A.~~ In conducting any hearing pursuant to the  
21 Insurance Code, the Insurance Commissioner may appoint an  
22 independent hearing examiner who shall sit as a quasi-judicial  
23 officer. The ordinary fees and costs of such hearing examiner shall  
24 be assessed by the hearing examiner against the respondent, unless

1 the respondent is the prevailing party. Within thirty (30) days  
2 after termination of the hearing or of any rehearing thereof or  
3 reargument thereon, unless such time is extended by stipulation, a  
4 final order shall be issued.

5 ~~B. 1. The Patient's Right to Pharmacy Choice Commission~~  
6 ~~established pursuant to Section 10 of this act shall conduct any~~  
7 ~~hearing pursuant to the Patient's Right to Pharmacy Choice Act or~~  
8 ~~relating to the oversight of pharmacy benefits managers pursuant to~~  
9 ~~the Pharmacy Audit Integrity Act and Sections 357 through 360 of~~  
10 ~~Title 59 of the Oklahoma Statutes. Within thirty (30) days after~~  
11 ~~termination of a hearing or of any rehearing thereof or reargument~~  
12 ~~thereon, unless such time is extended by stipulation, a final order~~  
13 ~~shall be issued.~~

14 ~~2. The Pharmacy Choice Commission members shall not be entitled~~  
15 ~~to receive any compensation related to conducting a hearing pursuant~~  
16 ~~to this section including per diem or mileage for any travel or~~  
17 ~~expenses related to appointment on the Commission.~~

18 SECTION 7. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 322 of Title 36, unless there is  
20 created a duplication in numbering, reads as follows:

21 The Insurance Commissioner may, if the Commissioner finds that  
22 any person or organization has violated the provisions of any  
23 statute, rule, bulletin, or order for which the Commissioner has  
24 jurisdiction, impose a penalty of not more than Five Thousand

1 Dollars (\$5,000.00) for each such violation. Such penalties may be  
2 in addition to any other penalty provided by law.

3 No penalty shall be imposed except upon a written order of the  
4 Commissioner or the appointed independent hearing examiner, stating  
5 the findings of the Commissioner or the appointed independent  
6 hearing examiner after notice and opportunity for a hearing in  
7 accordance with Article II of the Administrative Procedures Act.

8 SECTION 8. NEW LAW A new section of law to be codified  
9 in the Oklahoma Statutes as Section 323 of Title 36, unless there is  
10 created a duplication in numbering, reads as follows:

11 In addition to any powers herein before expressly enumerated in  
12 this law, the Insurance Commissioner shall have full power and  
13 authority to enforce by regulations, orders, bulletins or otherwise  
14 all and singular, the provisions of this law, and the full intent  
15 thereof. In particular the Commissioner shall have the authority  
16 and power:

17 1. To examine all records of persons or organizations falling  
18 under the jurisdiction of the Commissioner and to require the same  
19 to furnish under oath such information as the Commissioner may deem  
20 necessary for the administration of this law. The expense of such  
21 examination shall be paid by the insurer or advisory organization  
22 examined. In lieu of such examination, the Commissioner may, in the  
23 discretion of the Commissioner, accept a report of examination made  
24 by any other insurance supervisory authority;

1           2. To make and enforce such reasonable bulletins, orders, rules  
2 and regulations as may be necessary in making this law effective,  
3 but such bulletins, orders, rules and regulations shall not be  
4 contrary to or inconsistent with the provisions of this law; and

5           3. To issue an order in accordance with Article II of the  
6 Administrative Procedures Act to all parties in interest requiring  
7 any person or organization falling under the jurisdiction of the  
8 Commissioner to cease and desist from any unfair or unreasonable  
9 practice.

10           SECTION 9.           AMENDATORY           36 O.S. 2021, Section 332, is  
11 amended to read as follows:

12           Section 332. A. ~~The powers and duties of the Patient's Right~~  
13 ~~to Pharmacy Choice Commission shall be created by the Insurance~~  
14 ~~Commissioner and set forth in the applicable provisions of the~~  
15 ~~Insurance Code.~~

16           B. The Insurance Commissioner may conduct such examinations and  
17 investigations of insurance matters, within the scope of the  
18 authority of the Commissioner, as the Commissioner may deem proper  
19 to secure information useful in the lawful administration of the  
20 applicable provisions of the Oklahoma Insurance Code and other  
21 statutes for which the Commissioner has jurisdiction.

22           C. B. The Insurance Commissioner shall have the authority to  
23 employ actuaries, statisticians, accountants, attorneys, auditors,  
24 investigators or any other technicians as the Insurance Commissioner

1 may deem necessary or beneficial to examine any filings for rate  
2 revisions made by insurers or advisory organizations and to examine  
3 such records of the insurers or advisory organizations as may be  
4 deemed appropriate in conjunction with the filing for a rate  
5 revision in order to determine that the rates or other filings are  
6 consistent with the terms, conditions, requirements and purposes of  
7 the Insurance Code, and to verify, validate and investigate the  
8 information upon which the insurer or advisory organization relies  
9 to support such filing.

10 1. The Commissioner shall maintain a list of technicians  
11 qualified pursuant to rules adopted by the Commissioner who are  
12 proficient in the lines of insurance being reviewed. Upon request  
13 of the Commissioner, the Commissioner shall employ the next  
14 available technician in rotation on the list, proficient in the line  
15 or lines of insurance being reviewed. The Commissioner may deviate  
16 from the list when employing technicians for loss cost filings  
17 pursuant to Section 901.5 of this title.

18 2. All reasonable expenses incurred in such filing review shall  
19 be paid by the insurer or advisory organization making the filing.

20 ~~D.~~ C. The Commissioner shall employ examiners to ensure that  
21 the rates which have been approved by or filed with the Commissioner  
22 are the rates which are being used by the insurer or by the insurers  
23 whose advisory organization has had a rate approval or rate filing.

24

1           1. Any insurer or ~~pharmacy benefits manager~~ company examined  
2 pursuant to the provisions of this section shall pay all reasonable  
3 charges incurred in such examination including the actual expense of  
4 the Commissioner, ~~the Pharmacy Choice Commission~~ and the expenses  
5 and compensation of the authorized representative of the  
6 Commissioner and the expense and compensation of assistants and  
7 examiners employed therein.

8           2. All expenses incurred in such examination shall be verified  
9 by affidavit and a copy shall be filed and kept in the office of the  
10 Insurance Commissioner.

11           SECTION 10.           AMENDATORY           36 O.S. 2021, Section 350, is  
12 amended to read as follows:

13           Section 350. Notwithstanding any other provision of law that  
14 requires a particular form and associated payment to be filed with  
15 the Insurance Department in paper form, or to be mailed or hand-  
16 delivered to the Insurance Department, the Insurance Commissioner  
17 may, by appropriate order, require that all filings of that specific  
18 type be filed or delivered in an electronic format. Electronic  
19 filings shall include payment of any transaction, filing, or other  
20 applicable fees.

21           SECTION 11.           AMENDATORY           36 O.S. 2021, Section 606.1, is  
22 amended to read as follows:

23           Section 606.1. A. 1. Any foreign or alien insurer which is  
24 organized under the laws of any other jurisdiction for the purpose

1 of transacting insurance may become a domestic insurer by complying  
2 with all of the requirements of law relative to the organization and  
3 licensing of a domestic insurer of the same type and by designating  
4 its principal place of business at a location in this state,  
5 provided~~7~~ the Insurance Commissioner approves the insurer's  
6 application for redomestication ~~following a public hearing~~. Said  
7 Such domestic insurer will be entitled to like certificates and  
8 licenses to transact business in this state and shall be subject to  
9 the authority and jurisdiction of this state.

10 2. The Commissioner shall approve an insurer's application to  
11 redomesticate unless~~7~~ ~~after a public hearing thereon~~, he or she  
12 finds that:

- 13 a. the insurer cannot comply with all the requirements of  
14 law relative to the organization and licensing of a  
15 domestic insurer,
- 16 b. after redomestication, the insurer would not be able  
17 to satisfy the requirements for the issuance of a  
18 license to write the line or lines of insurance for  
19 which it is presently licensed,
- 20 c. the effect of the redomestication would be  
21 substantially to lessen competition in insurance in  
22 this state or tend to create a monopoly therein,
- 23 d. the financial condition of the insurer is such as  
24 might jeopardize or prejudice the interest of its

1 policyholders or the state and is not in the public  
2 interest, or

3 e. the competence, experience and integrity of those  
4 persons who control the operation of the insurer are  
5 such that it would not be in the interest of the  
6 policyholders, the public or the state to permit the  
7 redomestication.

8 3. The insurer's application to redomesticate shall contain  
9 information acceptable to the Commissioner concerning its financial  
10 condition, its plan of operation for the succeeding three (3) years,  
11 and information concerning the competence, experience and integrity  
12 of those persons who control the operation of the insurer.

13 4. If the Commissioner determines that grounds exist to  
14 disapprove the application to redomesticate, a public hearing shall  
15 be held. The application for redomestication shall be deemed  
16 approved unless the Commissioner has, within thirty (30) days after  
17 the conclusion of the hearing, entered his or her order disapproving  
18 the redomestication.

19 B. Any domestic insurer may, upon the approval of the Insurance  
20 Commissioner, transfer its domicile to any other state in which it  
21 is admitted to transact the business of insurance, and upon such a  
22 transfer, shall cease to be a domestic insurer, and shall be  
23 admitted to this state if qualified as a foreign insurer. The  
24 Commissioner shall approve any such proposed transfer unless he or

1 she shall determine such transfer is not in the interest of the  
2 policyholders of this state.

3 C. The certificate of authority, agents appointments and  
4 licenses, rates, and other items which the Insurance Commissioner  
5 allows, in his or her discretion, which are in existence at the time  
6 any insurer licensed to transact the business of insurance in this  
7 state transfers its corporate domicile to this or any other state by  
8 merger, consolidation or any other lawful method shall continue in  
9 full force and effect upon such transfer if such insurer remains  
10 duly qualified to transact the business of insurance in this state.  
11 All outstanding policies and other contracts of any transferring  
12 insurer shall remain in full force and effect and need not be  
13 endorsed as to the new name of the company or its new location  
14 unless so ordered by the Commissioner. Every transferring insurer  
15 shall file new policy forms with the Commissioner on or before the  
16 effective date of the transfer, but may use existing policy forms  
17 with appropriate endorsements if allowed by, and under such  
18 conditions as approved by, the Commissioner. However, every such  
19 transferring insurer shall notify the Commissioner of the details of  
20 the proposed transfer, and shall file promptly, any resulting  
21 amendments to corporate documents required to be filed with the  
22 Commissioner.

23 D. The Insurance Commissioner may promulgate rules and  
24 regulations to carry out the purposes of this section.

1 SECTION 12. AMENDATORY 36 O.S. 2021, Section 607, as  
2 amended by Section 1, Chapter 152, O.S.L. 2022 (36 O.S. Supp. 2022,  
3 Section 607), is amended to read as follows:

4 Section 607. A. To qualify for and hold authority to transact  
5 insurance in Oklahoma an insurer must be otherwise in compliance  
6 with the provisions of ~~this~~ the Oklahoma Insurance Code and with its  
7 charter powers, and must be an incorporated stock insurer, an  
8 incorporated mutual insurer, a mutual benefit association, a  
9 nonprofit hospital service and medical indemnity corporation, a  
10 farmers mutual fire insurance association, a Lloyd's association or  
11 a reciprocal insurer, of the same general type as may be formed as a  
12 domestic insurer under this Code; except, that no foreign or alien  
13 insurer shall be authorized to transact insurance in Oklahoma which  
14 does not maintain reserves as required by Article 15 of this Code  
15 applicable to the kind or kinds of insurance transacted by such  
16 insurer.

17 B. No certificate of authority or license to transact any kind  
18 of direct insurance business in this state shall be issued, renewed  
19 or continued in effect, to any domestic, foreign or alien insurance  
20 company or other insurance entity which is owned or financially  
21 controlled in whole or in part by another state of the United  
22 States, or by a foreign government, or by any political subdivision  
23 of either, or which is an agency of any such state, government or  
24 subdivision.

1 C. A domestic, foreign, or alien insurance company, or entity  
2 thereof which is owned or financially controlled in whole or in part  
3 by another state of the United States, a foreign government, or any  
4 political subdivision thereof, or which is an agency of any such  
5 state, government, or subdivision may apply only for a certificate  
6 of authority as a reinsurer. Such insurance company or entity shall  
7 establish and maintain a regional home office in this state, in a  
8 building owned or leased by the insurer, that employs Oklahoma  
9 employees as defined pursuant to Section 625.1 of this title.  
10 Insurance companies or entities obtaining a certificate of authority  
11 under this subsection shall maintain security deposits pursuant to  
12 this ~~code~~ Code in a bank as defined pursuant to Section 102 of Title  
13 6 of the Oklahoma Statutes.

14 D. Any insurance company or other insurance entity which is  
15 owned or financially controlled in whole or in part by any federally  
16 recognized American Indian tribe or nation may apply for a  
17 certificate of authority or license to transact insurance business  
18 in this state and will not be subject to subsection B of this  
19 section.

20 E. Insurers under the jurisdiction of the Insurance  
21 Commissioner shall keep any contact information deemed necessary by  
22 the Commissioner on file with the Insurance Department. Contact  
23 information shall be kept current and submitted electronically in  
24 the manner and form prescribed by the Commissioner, along with any

1 applicable fees. Any change in contact information shall be  
2 submitted within twenty (20) days of the change.

3 SECTION 13. AMENDATORY 36 O.S. 2021, Section 924.1, is  
4 amended to read as follows:

5 Section 924.1. A. Any schedule of rates or rating plan for  
6 automobile or motorcycle liability and physical damage insurance  
7 submitted to or filed with the ~~State~~ Insurance Commissioner shall  
8 provide for an appropriate reduction in premium charges for those  
9 insured persons for a three-year period after successfully  
10 completing a motor vehicle accident prevention course which shall  
11 include but not be limited to an automobile or motorcycle accident  
12 prevention course as approved by the insurance company of the  
13 policyholder. ~~Provided, however, there shall be no reduction in~~  
14 ~~premiums for a self-instructed course or a course which does not~~  
15 ~~provide for actual classroom or field driving instruction for a~~  
16 ~~minimum number of hours as provided in subsection E of this section.~~  
17 Provided further, there shall be no reduction in premiums for a  
18 course attended pursuant to a court order in connection with a motor  
19 vehicle violation or an alcohol- or drug-related offense.

20 B. All insurance companies writing automobile or motorcycle  
21 liability and physical damage insurance in this state shall allow an  
22 appropriate reduction in premium charges to all eligible persons  
23 pursuant to this section.

24

1 C. Upon successfully completing the approved course, each  
2 participant shall be issued by the sponsoring agency of the course,  
3 a certificate which shall be the basis of qualification for the  
4 discount on insurance.

5 D. Each participant shall successfully complete an approved  
6 course each three (3) years to continue to be eligible for the  
7 discount on insurance.

8 E. An approved course pursuant to this section shall provide at  
9 least six (6) hours of instruction.

10 SECTION 14. AMENDATORY 36 O.S. 2021, Section 1641, is  
11 amended to read as follows:

12 Section 1641. The Commissioner may, ~~upon notice and opportunity~~  
13 ~~for all interested persons to be heard,~~ issue such rules,  
14 regulations and orders as shall be necessary to carry out the  
15 provisions of ~~this act~~ Section 1631 et seq. of this title.

16 SECTION 15. AMENDATORY 36 O.S. 2021, Section 6124.1, is  
17 amended to read as follows:

18 Section 6124.1. A. No prepaid funeral benefit permit shall be  
19 transferable from one organization to another except as provided in  
20 this section. The selling organization shall notify the Insurance  
21 Commissioner at least forty-five (45) days prior to transfer of  
22 ownership. Notification shall be in a form provided by the  
23 Insurance Commissioner and shall contain at a minimum the following  
24 information:

- 1        1. The name of the acquiring organization;
- 2        2. The date the acquiring organization will take control of the
- 3 funeral establishment;
- 4        3. A listing of all unrealized prepaid funeral benefit
- 5 contracts funded by insurance assignments;
- 6        4. A listing of all unrealized prepaid funeral benefit
- 7 contracts funded by trusts;
- 8        5. A detailed description of existing trusts to include, but
- 9 not be limited to, the name of the contract holder and the trust
- 10 value per contract; and
- 11        6. Any other information the Insurance Commissioner may
- 12 request.
- 13        B. The Insurance Commissioner may waive the notice requirement
- 14 provided for in subsection A of this section upon good cause shown.
- 15        C. The acquiring organization shall make application for a
- 16 permit at least thirty (30) days prior to the transfer of ownership.
- 17 Approval is contingent upon the organization receiving an
- 18 establishment license as provided for in Sections 395.1 through
- 19 396.33 of Title 59 of the Oklahoma Statutes. The application shall
- 20 include an assumption agreement executed by the acquiring
- 21 organization in a form provided by the Insurance Commissioner.
- 22        D. The acquiring organization shall be issued a prepaid funeral
- 23 benefit permit prior to the relinquishment of control of the trust
- 24 by the selling organization. The acquiring organization shall not

1 access funds held in the trust until authorization has been given by  
2 the Insurance Commissioner.

3 E. Upon good cause shown, the Insurance Commissioner may deny  
4 transfer of the trust from the selling organization to the acquiring  
5 organization.

6 F. The Insurance Commissioner may assume the role of acting  
7 trust conservator as a means of safeguarding the rights and  
8 interests of the individual contract ~~holder~~ holders or purchasers,  
9 their beneficiaries, successors, or personal representatives, or  
10 whenever necessary to protect the public welfare. The organization  
11 may make application to the Insurance Commissioner to draw down  
12 funds upon fulfillment of the prepaid funeral service contract.

13 G. Whenever a prepaid funeral benefit permit holder refuses to  
14 submit the books, records, papers and instruments of the prepaid  
15 funeral benefit contracts to the examination and inspection of the  
16 assistants or examiners of the Insurance Commissioner, or refuses or  
17 neglects to establish or maintain a prepaid funeral benefit permit  
18 in accordance with the requirements of the Prepaid Funeral Benefits  
19 Act within ninety (90) days after a written demand to establish or  
20 maintain a prepaid funeral benefit permit is made by the  
21 Commissioner, or in any manner obstructs or interferes with the  
22 examination of its prepaid funeral benefit contracts or refuses to  
23 be examined on oath concerning any of the affairs of its prepaid  
24 funeral benefit contracts, or for any other grounds listed in

1 Article 18 or 19 of this title, the Commissioner may make  
2 application for receivership in the manner of a domestic insurer or  
3 take any other action pursuant to Articles 18 and 19, Sections 1901  
4 through 1920 of this title.

5 H. The Insurance Commissioner may prescribe rules concerning  
6 matters incidental to this section.

7 I. For the purposes of Sections 6121 through 6136.18 of this  
8 title, "personal representative" means the person or persons  
9 designated by the purchaser of the contract for prepaid funeral  
10 benefits as having rights of ownership and control to the prepaid  
11 funds upon death of the purchaser; the guardian, executor, or the  
12 personal representative of the estate of the purchaser; or the  
13 claiming successor or successors establishing lawful right to the  
14 prepaid funds in accordance with Section 393 of Title 58 of the  
15 Oklahoma Statutes.

16 SECTION 16. AMENDATORY 36 O.S. 2021, Section 6652, is  
17 amended to read as follows:

18 Section 6652. A. No vehicle protection product may be sold or  
19 offered for sale in this state unless the seller, warrantor and  
20 administrator, if any, comply with the provisions of the Vehicle  
21 Protection Product Act.

22 B. Vehicle protection product warrantors and related vehicle  
23 protection product sellers and warranty administrators complying  
24 with the Vehicle Protection Product Act are not required to comply

1 with and are not subject to any other provisions of the Oklahoma  
2 Insurance Code.

3 C. ~~Service~~ Licensed service contract providers ~~who~~ may sell  
4 ~~vehicle protection products and are licensed~~ motor vehicle ancillary  
5 protection products under the Service Warranty Act in Title 15 of  
6 the Oklahoma Statutes ~~are~~ and such sales shall not be subject to the  
7 requirements of the Vehicle Protection Product Act ~~and sales~~.  
8 Licensed service contract providers may also be registered under the  
9 Vehicle Protection Product Act. Sales of the vehicle protection  
10 products under the Vehicle Protection Product Act are exempt from  
11 the requirements of the Service Warranty Act.

12 D. Warranties, indemnity agreements and guarantees that are not  
13 provided as a part of a vehicle protection product are not subject  
14 to the provisions of the Vehicle Protection Product Act.

15 SECTION 17. AMENDATORY 12 O.S. 2021, Section 3226, is  
16 amended to read as follows:

17 Section 3226. A. DISCOVERY METHODS; INITIAL DISCLOSURES.

18 1. DISCOVERY METHODS. Parties may obtain discovery regarding  
19 any matter that is relevant to any party's claim or defense by one  
20 or more of the following methods: Depositions upon oral examination  
21 or written questions; written interrogatories; production of  
22 documents or things or permission to enter upon land or other  
23 property, for inspection and other purposes; physical and mental  
24 examinations; requests for admission; authorizations for release of

1 records; and otherwise by court order upon showing of good cause.  
2 Except as provided in this section or unless the court orders  
3 otherwise under this section, the frequency of use of these methods  
4 is not limited.

5 2. INITIAL DISCLOSURES.

6 a. Except in categories of proceedings specified in  
7 subparagraph b of this paragraph, or to the extent  
8 otherwise stipulated or directed by order, a party,  
9 without awaiting a discovery request, shall provide to  
10 other parties a computation of any category of damages  
11 claimed by the disclosing party, making available for  
12 inspection and copying the documents or other  
13 evidentiary material, not privileged or protected from  
14 disclosure, on which such computation is based,  
15 including materials bearing on the nature and extent  
16 of injuries suffered. Subject to subsection B of this  
17 section, in any action in which physical or mental  
18 injury is claimed, the party making the claim shall  
19 provide to the other parties a release or  
20 authorization allowing the parties to obtain relevant  
21 medical records and bills, and, when relevant, a  
22 release or authorization for employment and scholastic  
23 records.

1           b. The following categories of proceedings are exempt  
2           from initial disclosure under subparagraph a of this  
3           paragraph:

- 4           (1) an action for review of an administrative record,
- 5           (2) a petition for habeas corpus or other proceeding  
6           to challenge a criminal conviction or sentence,
- 7           (3) an action brought without counsel by a person in  
8           custody of the United States, a state, or a state  
9           subdivision,
- 10          (4) an action to enforce or quash an administrative  
11          summons or subpoena,
- 12          (5) an action by the United States to recover benefit  
13          payments,
- 14          (6) an action by the United States to collect on a  
15          student loan guaranteed by the United States,
- 16          (7) a proceeding ancillary to proceedings in other  
17          courts, and
- 18          (8) an action to enforce an arbitration award.

19          c. Disclosures required under this paragraph shall be  
20          made at or within sixty (60) days after service unless  
21          a different time is set by stipulation or court order,  
22          or unless a party objects that initial disclosures are  
23          not appropriate in the circumstances of the action and  
24          states the objection in a motion filed with the court.

1 In ruling on the objection, the court shall determine  
2 what disclosures, if any, are to be made and set the  
3 time for disclosure. A party shall make its initial  
4 disclosures based on the information then readily  
5 available to it and is not excused from making its  
6 disclosures because it has not fully completed its  
7 investigation of the case or because it challenges the  
8 sufficiency of another party's disclosures or because  
9 another party has not made its disclosures.

10 B. DISCOVERY SCOPE AND LIMITS. Unless otherwise limited by  
11 order of the court in accordance with the Oklahoma Discovery Code,  
12 the scope of discovery is as follows:

13 1. IN GENERAL.

14 a. Parties may obtain discovery regarding any matter, not  
15 privileged, which is relevant to any party's claim or  
16 defense, reasonably calculated to lead to the  
17 discovery of admissible evidence and proportional to  
18 the needs of the case, considering the importance of  
19 the issues at stake in the action, the amount in  
20 controversy, the parties' relative access to relevant  
21 information, the parties' resources, the importance of  
22 the discovery in resolving the issues, and whether the  
23 burden or expense of the proposed discovery outweighs  
24 its likely benefit. Information within this scope of

1 discovery need not be admissible in evidence to be  
2 discoverable.

3 b. ~~A party shall produce upon request pursuant to Section~~  
4 ~~3234 of this title, any insurance agreement under~~  
5 ~~which any person carrying on an insurance business may~~  
6 ~~be liable to satisfy part or all of a judgment which~~  
7 ~~may be entered in the action or to indemnify or~~  
8 ~~reimburse for payments made to satisfy the judgment.~~  
9 ~~Information concerning the insurance agreement is not~~  
10 ~~by reason of disclosure admissible in evidence at~~  
11 ~~trial. For purposes of this section, an application~~  
12 ~~for insurance shall not be treated as a part of an~~  
13 ~~insurance agreement. Production and Disclosure of~~  
14 ~~Consumer Litigation Funding Agreements.~~

15 (1) except as otherwise stipulated or ordered by a  
16 court of competent jurisdiction, a consumer or  
17 the consumer's legal representative shall,  
18 without awaiting a discovery request, disclose  
19 and deliver to the following persons the consumer  
20 litigation funding agreement:

21 (a) each party to the civil action,  
22 administrative proceeding, claim or cause of  
23 action, or to each party's legal  
24 representative,

1           (b) the court, agency, or tribunal in which the  
2           civil action, administrative proceeding,  
3           claim or cause of action may be pending, and

4           (c) any known entity or insurer with a  
5           preexisting contractual obligation to  
6           indemnify or defend a party to the civil  
7           action, administrative proceeding, claim, or  
8           cause of action.

9           This is a continuing obligation and within thirty  
10          (30) days of entering into a litigation financing  
11          contract, the consumer or the consumer's legal  
12          representative must disclose and deliver any  
13          subsequently entered into litigation funding  
14          agreements.

15          (2) the existence of consumer litigation funding  
16          agreements and all participants or parties to  
17          such a litigation funding agreement are  
18          permissible subjects of discovery in any civil  
19          action, administrative proceeding, claim, or  
20          cause of action to which consumer litigation  
21          financing is provided under the litigation  
22          funding agreement.

23          (3) litigation funding provided to commercial  
24          enterprises in support of litigation strictly

1                   between commercial enterprises is subject to the  
2                   requirements of 12-3226(c) and Section 14A 3-809  
3                   -3-817. The funded commercial enterprise and its  
4                   legal representative shall also have the duties  
5                   set forth in 12-3226(c). A commercial enterprise  
6                   does not include a law firm or attorney  
7                   prosecuting or defending litigation.

8           2.   LIMITATIONS ON FREQUENCY AND EXTENT.

9           a.   By order, the court may alter the limits on the length  
10           of depositions under Section 3230 of this title, on  
11           the number of interrogatories under Section 3233 of  
12           this title, on the number of requests to produce under  
13           Section 3234 of this title, or on the number of  
14           requests for admission under Section 3236 of this  
15           title.

16           b.   A party is not required to provide discovery of  
17           electronically stored information from sources that  
18           the party identifies as not reasonably accessible  
19           because of undue burden or cost. On motion to compel  
20           discovery or for a protective order, the party from  
21           whom discovery is sought must show that the  
22           information is not reasonably accessible because of  
23           undue burden or cost. If that showing is made, the  
24           court may order discovery from such sources if the

1            requesting party shows good cause, considering the  
2            limitations of subparagraph c of this paragraph. The  
3            court may specify conditions for the discovery.

4            c. On motion or on its own, the court shall limit the  
5            frequency or extent of discovery otherwise allowed if  
6            it determines that:

7            (1) the discovery sought is unreasonably cumulative  
8            or duplicative, or can be obtained from some  
9            other source that is more convenient, less  
10           burdensome, or less expensive,

11           (2) the party seeking discovery has had ample  
12           opportunity to obtain the information by  
13           discovery in the action, or

14           (3) the proposed discovery is outside the scope  
15           permitted by subparagraph a of paragraph 1 of  
16           this subsection.

17           d. If an officer, director or managing agent of a  
18           corporation or a government official is served with  
19           notice of a deposition or subpoena regarding a matter  
20           about which he or she has no knowledge, he or she may  
21           submit at a reasonable time prior to the date of the  
22           deposition an affidavit to the noticing party so  
23           stating and identifying a person within the  
24           corporation or government entity who has knowledge of

1 the subject matter involved in the pending action.

2 Notwithstanding such affidavit, the noticing party may  
3 proceed with the deposition, subject to the noticed  
4 witness's right to seek a protective order.

5 3. TRIAL PREPARATION: MATERIALS.

6 a. Unless as provided by paragraph 4 of this subsection,  
7 a party may not discover documents and tangible things  
8 that are prepared in anticipation of litigation or for  
9 trial by or for another party or its representative,  
10 including the other party's attorney, consultant,  
11 surety, indemnitor, insurer or agent. Subject to  
12 paragraph 4 of this subsection, such materials may be  
13 discovered if:

14 (1) they are otherwise discoverable under paragraph 1  
15 of this subsection, and

16 (2) the party shows that it has substantial need for  
17 the materials to prepare its case and cannot,  
18 without undue hardship, obtain their substantial  
19 equivalent by other means.

20 b. If the court orders discovery of such materials, the  
21 court shall protect against disclosure of the mental  
22 impressions, conclusions, opinions or legal theories  
23 of a party's attorney or other representative  
24 concerning the litigation.

1 c. A party or other person may, upon request and without  
2 the required showing, obtain the person's own previous  
3 statement about the action or its subject matter. If  
4 the request is refused, the person may move for a  
5 court order, and the provisions of paragraph 4 of  
6 subsection A of Section 3237 of this title apply to  
7 the award of expenses. A previous statement is  
8 either:

9 (1) a written statement that the person has signed or  
10 otherwise adopted or approved, or

11 (2) a contemporaneous stenographic, mechanical,  
12 electrical, or other recording, or a  
13 transcription thereof, which recites  
14 substantially verbatim the person's oral  
15 statement.

16 4. TRIAL PREPARATION: EXPERTS.

17 a. Discovery of facts known and opinions held by experts,  
18 otherwise discoverable under the provisions of  
19 paragraph 1 of this subsection and acquired or  
20 developed in anticipation of litigation or for trial,  
21 may be obtained only as follows:

22 (1) a party may, through interrogatories, require any  
23 other party to identify each person whom that  
24 other party expects to call as an expert witness

1 at trial and give the address at which that  
2 expert witness may be located,

3 (2) after disclosure of the names and addresses of  
4 the expert witnesses, the other party expects to  
5 call as witnesses, the party, who has requested  
6 disclosure, may depose any such expert witnesses  
7 subject to scope of this section. Prior to  
8 taking the deposition the party must give notice  
9 as required in subsections A and C of Section  
10 3230 of this title, and

11 (3) in addition to taking the depositions of expert  
12 witnesses the party may, through interrogatories,  
13 require the party who expects to call the expert  
14 witnesses to state the subject matter on which  
15 each expert witness is expected to testify; the  
16 substance of the facts and opinions to which the  
17 expert is expected to testify and a summary of  
18 the grounds for each opinion; the qualifications  
19 of each expert witness, including a list of all  
20 publications authored by the expert witness  
21 within the preceding ten (10) years; the  
22 compensation to be paid to the expert witness for  
23 the testimony and preparation for the testimony;  
24 and a listing of any other cases in which the

1 expert witness has testified as an expert at  
2 trial or by deposition within the preceding four  
3 (4) years. An interrogatory seeking the  
4 information specified above shall be treated as a  
5 single interrogatory for purposes of the  
6 limitation on the number of interrogatories in  
7 Section 3233 of this title.

8 b. The protection provided by paragraph 3 of this  
9 subsection extends to communications between the  
10 party's attorney and any expert witness retained or  
11 specially employed to provide expert testimony in the  
12 case or whose duties as the party's employee regularly  
13 involve giving expert testimony, except to the extent  
14 that the communications:

15 (1) relate to compensation for the expert's study or  
16 testimony,

17 (2) identify facts or data that the party's attorney  
18 provided and that the expert considered in  
19 forming the opinions to be expressed, or

20 (3) identify assumptions that the party's attorney  
21 provided and that the expert relied upon in  
22 forming the opinions to be expressed.

23 c. A party may not, by interrogatories or deposition,  
24 discover facts known or opinions held by an expert who

1 has been retained or specially employed by another  
2 party in anticipation of litigation or to prepare for  
3 trial and who is not expected to be called as a  
4 witness at trial, except as provided in Section 3235  
5 of this title or upon a showing of exceptional  
6 circumstances under which it is impracticable for the  
7 party to obtain facts or opinions on the same subject  
8 by other means.

9 d. Unless manifest injustice would result:

10 (1) the court shall require that the party seeking  
11 discovery pay the expert a reasonable fee for  
12 time spent in responding to discovery under  
13 division (2) of subparagraph a of this paragraph  
14 and subparagraph c of this paragraph, and

15 (2) the court shall require that the party seeking  
16 discovery with respect to discovery obtained  
17 under subparagraph c of this paragraph, pay the  
18 other party a fair portion of the fees and  
19 expenses reasonably incurred by the latter party  
20 in obtaining facts and opinions from the expert.

21 5. CLAIMS OF PRIVILEGE OR PROTECTION OF TRIAL PREPARATION

22 MATERIALS.

23 a. When a party withholds information otherwise  
24 discoverable under the Oklahoma Discovery Code by

1 claiming that it is privileged or subject to  
2 protection as trial preparation material, the party  
3 shall make the claim expressly and shall describe the  
4 nature of the documents, communications, or things not  
5 produced or disclosed in a manner that, without  
6 revealing information itself privileged or protected,  
7 will enable other parties to assess the applicability  
8 of the privilege or protection.

9 b. If information produced in discovery is subject to a  
10 claim of privilege or of protection as trial  
11 preparation material, the party making the claim may  
12 notify any party that received the information of the  
13 claim and the basis for it. After being notified, a  
14 party shall promptly return, sequester, or destroy the  
15 specified information and any copies the party has;  
16 shall not use or disclose the information until the  
17 claim is resolved; shall take reasonable steps to  
18 retrieve the information if the party has disclosed it  
19 before being notified; and may promptly present the  
20 information to the court under seal for a  
21 determination of the claim. The producing party shall  
22 preserve the information until the claim is resolved.  
23 This mechanism is procedural only and does not alter  
24 the standards governing whether the information is

1 privileged or subject to protection as trial  
2 preparation material or whether such privilege or  
3 protection has been waived.

4 C. PROTECTIVE ORDERS.

5 1. Upon motion by a party or by the person from whom discovery  
6 is sought, accompanied by a certification that the movant has in  
7 good faith conferred or attempted to confer, either in person or by  
8 telephone, with other affected parties in an effort to resolve the  
9 dispute without court action, and for good cause shown, the court in  
10 which the action is pending or on matters relating to a deposition,  
11 the district court in the county where the deposition is to be taken  
12 may enter any order which justice requires to protect a party or  
13 person from annoyance, harassment, embarrassment, oppression or  
14 undue delay, burden or expense, including one or more of the  
15 following:

- 16 a. that the discovery not be had,  
17 b. that the discovery may be had only on specified terms  
18 and conditions, including a designation of the time,  
19 place or the allocation of expenses,  
20 c. that the discovery may be had only by a method of  
21 discovery other than that selected by the party  
22 seeking discovery,  
23  
24

- 1           d.    that certain matters not be inquired into, or that the  
2                scope of the disclosure or discovery be limited to  
3                certain matters,  
4           e.    that discovery be conducted with no one present except  
5                persons designated by the court,  
6           f.    that a deposition after being sealed be opened only by  
7                order of the court,  
8           g.    that a trade secret or other confidential research,  
9                development or commercial information not be disclosed  
10               or be disclosed only in a designated way, and  
11           h.    that the parties simultaneously file specified  
12                documents or information enclosed in sealed envelopes  
13                to be opened as directed by the court.

14           2.  If the motion for a protective order is denied in whole or  
15           in part, the court may, on such terms and conditions as are just,  
16           order that any party or person provide or permit discovery.  The  
17           provisions of paragraph 4 of subsection A of Section 3237 of this  
18           title apply to the award of expenses incurred in relation to the  
19           motion.  Any protective order of the court which has the effect of  
20           removing any material obtained by discovery from the public record  
21           shall contain the following:

- 22           a.    a statement that the court has determined it is  
23                necessary in the interests of justice to remove the  
24                material from the public record,

1           b.    specific identification of the material which is to be  
2                removed or withdrawn from the public record, or which  
3                is to be filed but not placed in the public record,  
4                and

5           c.    a requirement that any party obtaining a protective  
6                order place the protected material in a sealed manila  
7                envelope clearly marked with the caption and case  
8                number and is clearly marked with the word  
9                "CONFIDENTIAL", and stating the date the order was  
10              entered and the name of the judge entering the order.  
11              This requirement may also be satisfied by requiring  
12              the party to file the documents pursuant to the  
13              procedure for electronically filing sealed or  
14              confidential documents approved for electronic filing  
15              in the courts of this state.

16           3.    No protective order entered after the filing and  
17                microfilming of documents of any kind shall be construed to require  
18                the microfilm record of such filing to be amended in any fashion.

19           4.    The party or counsel which has received the protective order  
20                shall be responsible for promptly presenting the order to  
21                appropriate court clerk personnel for appropriate action.

22           5.    All documents produced or testimony given under a protective  
23                order shall be retained in the office of counsel until required by  
24                the court to be filed in the case.

1           6. Counsel for the respective parties shall be responsible for  
2 informing witnesses, as necessary, of the contents of the protective  
3 order.

4           7. When a case is filed in which a party intends to seek a  
5 protective order removing material from the public record, the  
6 plaintiff(s) and defendant(s) shall be initially designated on the  
7 petition under pseudonym such as "John or Jane Doe", or "Roe", and  
8 the petition shall clearly indicate that the party designations are  
9 fictitious. The party seeking confidentiality or other order  
10 removing the case, in whole or in part, from the public record,  
11 shall immediately present application to the court, seeking  
12 instructions for the conduct of the case, including confidentiality  
13 of the records.

14           D. SEQUENCE AND TIMING OF DISCOVERY. Unless the parties  
15 stipulate or the court orders otherwise for the convenience of  
16 parties and witnesses and in the interests of justice, methods of  
17 discovery may be used in any sequence. The fact that a party is  
18 conducting discovery, whether by deposition or otherwise, shall not  
19 operate to delay discovery by any other party.

20           E. SUPPLEMENTATION OF RESPONSES. A party who has responded to  
21 a request for discovery with a response that was complete when it  
22 was made is under no duty to supplement the response to include  
23 information thereafter acquired, except as follows:  
24

1 1. A party is under a duty seasonably to supplement the  
2 response with respect to any question directly addressed to:

3 a. the identity and location of persons having knowledge  
4 of discoverable matters, and

5 b. the identity of each person expected to be called as  
6 an expert witness at trial, the subject matter on  
7 which the person is expected to testify, and the  
8 substance of the testimony of the person;

9 2. A party is under a duty seasonably to amend a prior response  
10 to an interrogatory, request for production, or request for  
11 admission if the party obtains information upon the basis of which:

12 a. (1) the party knows that the response was incorrect  
13 in some material respect when made, or

14 (2) the party knows that the response, which was  
15 correct when made, is no longer true in some  
16 material respect, and

17 b. the additional or corrective information has not  
18 otherwise been made known to the other parties during  
19 the discovery process or in writing; and

20 3. A duty to supplement responses may be imposed by order of  
21 the court, agreement of the parties, or at any time prior to trial  
22 through new requests for supplementation of prior responses.

23 F. DISCOVERY CONFERENCE. At any time after commencement of an  
24 action, the court may direct the attorneys for the parties to appear

1 for a conference on the subject of discovery. The court shall do so  
2 upon motion by the attorney for any party if the motion includes:

- 3 1. A statement of the issues as they then appear;
- 4 2. A proposed plan and schedule of discovery;
- 5 3. Any limitations proposed to be placed on discovery;
- 6 4. Any other proposed orders with respect to discovery; and
- 7 5. A statement showing that the attorney making the motion has  
8 made a reasonable effort to reach agreement with opposing attorneys  
9 on the matters set forth in the motion.

10 Each party and their attorney are under a duty to participate in  
11 good faith in the framing of a discovery plan if a plan is proposed  
12 by the attorney for any party. Notice of the motion shall be served  
13 on all parties. Objections or additions to matters set forth in the  
14 motion shall be served not later than ten (10) days after service of  
15 the motion.

16 Following the discovery conference, the court shall enter an  
17 order tentatively identifying the issues for discovery purposes,  
18 establishing a plan and schedule for discovery, setting limitations  
19 on discovery, if any; and determining such other matters, including  
20 the allocation of expenses, as are necessary for the proper  
21 management of discovery in the action. In preparing the plan for  
22 discovery the court shall protect the parties from excessive or  
23 abusive use of discovery. An order shall be altered or amended  
24 whenever justice so requires.

1 Subject to the right of a party who properly moves for a  
2 discovery conference to prompt convening of the conference, the  
3 court may combine the discovery conference with a pretrial  
4 conference.

5 G. SIGNING OF DISCOVERY REQUESTS, RESPONSES AND OBJECTIONS.

6 Every request for discovery, response or objection thereto made by a  
7 party represented by an attorney shall be signed by at least one of  
8 the party's attorneys of record in the party's individual name whose  
9 address shall be stated. A party who is not represented by an  
10 attorney shall sign the request, response or objection and state the  
11 party's address. The signature of the attorney or party constitutes  
12 a certification that the party has read the request, response or  
13 objection, and that it is:

14 1. To the best of the party's knowledge, information and belief  
15 formed after a reasonable inquiry consistent with the Oklahoma  
16 Discovery Code and warranted by existing law or a good faith  
17 argument for the extension, modification or reversal of existing  
18 law;

19 2. Interposed in good faith and not primarily to cause delay or  
20 for any other improper purpose; and

21 3. Not unreasonable or unduly burdensome or expensive, given  
22 the nature and complexity of the case, the discovery already had in  
23 the case, the amount in controversy, and other values at stake in  
24

1 the litigation. If a request, response or objection is not signed,  
2 it shall be deemed ineffective.

3 If a certification is made in violation of the provisions of  
4 this subsection, the court, upon motion or upon its own initiative,  
5 shall impose upon the person who made the certification, the party  
6 on whose behalf the request, response or objection is made, or both,  
7 an appropriate sanction, which may include an order to pay to the  
8 amount of the reasonable expenses occasioned thereby, including a  
9 reasonable attorney fee.

10 SECTION 18. REPEALER 36 O.S. 2021, Section 107.3, is  
11 hereby repealed.

12 SECTION 19. REPEALER 36 O.S. 2021, Section 907, is  
13 hereby repealed.

14 SECTION 20. REPEALER 36 O.S. 2021, Section 908, is  
15 hereby repealed.

16 SECTION 21. This act shall become effective November 1, 2024.

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18 59-2-10844 MJ 04/04/24

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