An Act relating to the Oklahoma Producer Licensing Act; amending 36 O.S. 2011, Section 1435.15, as last amended by Section 4, Chapter 294, O.S.L. 2019 (36 O.S. Supp. 2019, Section 1435.15), which relates to appointment of producer as agent of insurer; modifying procedure and timeline for certain required notice; providing an effective date; and declaring an emergency.

SUBJECT: Insurance

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 1435.15, as last amended by Section 4, Chapter 294, O.S.L. 2019 (36 O.S. Supp. 2019, Section 1435.15), is amended to read as follows:

Section 1435.15. A. An insurance producer shall not act as an agent of an insurer unless the insurance producer becomes an appointed agent of that insurer. An insurance producer who is not acting as an agent of an insurer is not required to become appointed.

B. To appoint a producer as its agent, the appointing insurer, or an authorized representative of the insurer, shall file, in a format approved by the Insurance Commissioner, a notice of appointment within fifteen (15) days from the date the agent contract is executed, or the first insurance application is submitted. For purposes of this section, an "authorized
representative of the insurer" means a person or entity licensed by
the Commissioner pursuant to the laws of this state who is
authorized in writing by the appointing insurer to file appointments
for the appointing insurer. An insurer or authorized representative
of an insurer may also elect to appoint a producer to all or some
insurers within the insurer's holding company system or group by the
filing of a single appointment request.

C. Upon receipt of the notice of appointment, the Insurance
Commissioner shall verify within a reasonable time not to exceed
thirty (30) days that the insurance producer is eligible for
appointment. If the insurance producer is determined to be
ineligible for appointment, the Commissioner shall notify the
insurer and the authorized representative of the insurer within five
(5) days of its determination.

D. An insurer or authorized representative of an insurer shall
pay an appointment fee, in the amount and method of payment set
forth in Section 1435.23 of this title, for each insurance producer
appointed by the insurer for each insurer for which the insurance
producer is appointed.

E. It shall be unlawful for any insurer to discriminate among
or between the insurance producers it has appointed. Any person or
company convicted of violating the provisions of this section shall
be guilty of a misdemeanor and shall be punished by the imposition
of a fine of not more than Five Hundred Dollars ($500.00) or
imprisonment in the county jail for not less than six (6) months nor
more than one (1) year, or be punished by both fine and
imprisonment.

SECTION 2. This act shall become effective July 1, 2020.

SECTION 3. It being immediately necessary for the preservation
of the public peace, health or safety, an emergency is hereby
declared to exist, by reason whereof this act shall take effect and
be in full force from and after its passage and approval.
Passed the Senate the 17th day of February, 2020.

Brent Howard  
Presiding Officer of the Senate

Passed the House of Representatives the 11th day of May, 2020.

[Signature]
Presiding Officer of the House of Representatives

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this 12th day of May, 2020, at 2:06 o'clock p.m.

By: [Signature]  

Approved by the Governor of the State of Oklahoma this 18th day of May, 2020, at 9:20 o'clock a.m.

[Signature]  
Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this 18th day of May, 2020, at 3:25 o'clock p.m.

By: [Signature]

ENR. S. B. NO. 1642  
Page 3