

1 ENGROSSED SENATE  
2 BILL NO. 1642

By: Montgomery of the Senate

3 and

4 Mize of the House

5  
6 An Act relating to the Oklahoma Producer Licensing  
7 Act; amending 36 O.S. 2011, Section 1435.15, as last  
8 amended by Section 4, Chapter 294, O.S.L. 2019 (36  
9 O.S. Supp. 2019, Section 1435.15), which relates to  
10 appointment of producer as agent of insurer;  
11 modifying procedure and timeline for certain required  
12 notice; providing an effective date; and declaring an  
13 emergency.

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

15 SECTION 1. AMENDATORY 36 O.S. 2011, Section 1435.15, as  
16 last amended by Section 4, Chapter 294, O.S.L. 2019 (36 O.S. Supp.  
17 2019, Section 1435.15), is amended to read as follows:

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

23 B. To appoint a producer as its agent, the appointing insurer,  
24 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

1 contract is executed, or the first insurance application is  
2 submitted. For purposes of this section, an "authorized  
3 representative of the insurer" means a person or entity licensed by  
4 the Commissioner pursuant to the laws of this state who is  
5 authorized in writing by the appointing insurer to file appointments  
6 for the appointing insurer. An insurer or authorized representative  
7 of an insurer may also elect to appoint a producer to all or some  
8 insurers within the insurer's holding company system or group by the  
9 filing of a single appointment request.

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

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

22 E. It shall be unlawful for any insurer to discriminate among  
23 or between the insurance producers it has appointed. Any person or  
24 company convicted of violating the provisions of this section shall

1 be guilty of a misdemeanor and shall be punished by the imposition  
2 of a fine of not more than Five Hundred Dollars (\$500.00) or  
3 imprisonment in the county jail for not less than six (6) months nor  
4 more than one (1) year, or be punished by both fine and  
5 imprisonment.

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

7 SECTION 3. It being immediately necessary for the preservation  
8 of the public peace, health or safety, an emergency is hereby  
9 declared to exist, by reason whereof this act shall take effect and  
10 be in full force from and after its passage and approval.

11 Passed the Senate the 17th day of February, 2020.

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Presiding Officer of the Senate

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15 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
16 2020.

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Presiding Officer of the House  
of Representatives

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