

2078: 1033 Waiver Information:

The application that individuals wishing to be granted written permission to apply for an insurance producers license is attached. All application packets would include:

1. Completed initial application for written consent. The application should be filled out completely and truthfully. If you have any questions, please contact the Insurance Department.
2. A current credit report, certified by a credit bureau. The report must be certified by them. The report must accompany your application. A current credit report is one that was prepared within thirty (30) days of the date of your application.
3. A copy of the completed form (or letter) requesting release of a complete record of convictions from the [insert appropriate state agency – official state repository of criminal history information]. The original form should be mailed directly to them with a check for (fee charged for service).
4. Two 2" by 2" black-and-white recent passport photographs attached to the upper righthand corner of the first page of the application for written consent.

Factors that the committee would review include, but are not limited to:

1. The nature and severity of the conviction;
2. Date of the conviction;
3. The injury and/or loss caused by the act for which the prohibited person was convicted;
4. Whether the crime related to the business of insurance;
5. Whether the prohibited person received a pardon from the sovereign that convicted him;
6. Whether the prohibited person completed a parole or probation;
7. The nature and strength of any character letters;
8. The prohibited person's business and personal record before and after the commission of the crime;
9. Whether and to what extent the person has made material false statements in an application;
10. Renewal or in other documents filed with the commissioner; and
11. Whether and to what extent the prohibited person has made material false misstatements in applications or other documents filed with other state or federal agencies.

The above information is the relatively standard from states who have implemented the 1033 waivers and is how the process generally works in other states who currently offer those waivers.

Our research has found that 25 states issue 1033 waivers. The nearest states that offer 1033 waivers are Iowa and Wyoming. We used Oklahoma's code as reference when drafting SB 2078.

But as you can see this is an exhaustive and extensive review process, this is not a blowing open of the door to these individuals, but it does set up another process for those individuals who have rehabilitated themselves and righted there wrongs.

Happy to discuss with the committee further, but I would also stress that there are a number of other provisions in this bill, that are of importance as well, so while we would not support amending the bill, if the committee feels it necessary to amend out the 1033 portion to save the remainder of the bill.

However, again, we are comfortable with this review process and are proactively asking for this flexibility. It's also important to note that these issues have been vetted by the industry both companies and agents and they did not feel the need to oppose this provision in either the Senate or in the original House hearing. With that, it would be safe to say the industry, the agents and the department are ok with these changes.