

**SENATE BILL No. 37**

By Committee on Insurance

1-21

1 AN ACT concerning insurance; relating to producer licensing  
2 requirements; agent conduct; pertaining to examinations; fees; renewal  
3 dates; suspension, revocation or denial of licensure; licensure renewal;  
4 amending K.S.A. 2020 Supp. 40-241, 40-4902, 40-4903, 40-4905, 40-  
5 4909, 40-4912, 40-4915, 40-5505 and 40-5512 and repealing the  
6 existing sections.

7  
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. K.S.A. 2020 Supp. 40-241 is hereby amended to read as  
10 follows: 40-241. Any applicant or prospective applicant for an agent's  
11 license, if an individual, shall be given an examination by the  
12 commissioner or the commissioner's designee to determine whether such  
13 applicant possesses the competence and knowledge of the kinds of  
14 insurance and transactions under the license applied for, or to be applied  
15 for, of the duties and responsibilities of such a license and of the pertinent  
16 provisions of the laws of this state. The applicant shall be tested on each  
17 class or subclassification of insurance—~~which~~ that may be written. An  
18 examination fee prescribed in rules and regulations adopted by the  
19 commissioner shall be paid by the applicant and shall be required for each  
20 class of insurance for each attempt to pass the examination. Such  
21 examination fee shall be in addition to the certification fee required under  
22 K.S.A. 40-252, and amendments thereto. There shall be four classes of  
23 insurance for the purposes of this act:

- 24 (1) Life;  
25 (2) accident and health;  
26 (3) casualty and allied lines; and  
27 (4) property and allied lines.

28 An insurance license may be issued as a subclassification of casualty  
29 and allied lines to any auto rental agency. An auto rental agency may offer  
30 or sell insurance only in connection with and incidental to the rental of  
31 motor vehicles, whether at the rental office, at the point of delivery of a  
32 vehicle, or by preselection of coverage in a master, corporate or group  
33 rental agreement, in any of the following general categories:

- 34 (1) Personal accident insurance covering risks of travel;,  
35 (2) motor vehicle liability insurance;,  
36 (3) personal effects insurance providing coverage to renters and other

1 occupants of the motor vehicle;:

2 (4) roadside assistance and emergency sickness protection programs;:  
3 and

4 (5) any other travel or auto-related coverage an auto rental company  
5 may offer in connection with and incidental to rental of motor vehicles. No  
6 insurance may be issued by an auto rental agency unless the rental period  
7 of the rental agreement does not exceed 90 consecutive days and brochures  
8 and other written material clearly and correctly explaining insurance  
9 coverages offered by the agency are available for prospective renters and  
10 clear and complete disclosures are provided to prospective renters that  
11 such coverage may be duplicative of other insurance owned by the renter,  
12 that purchase of insurance coverage is not a condition for renting a motor  
13 vehicle and describing the process for filing a claim.

14 Auto rental agencies employing representatives shall conduct a training  
15 program for each representative, providing instruction on the kinds of  
16 insurance coverage offered by the agency.

17 No auto rental agency shall offer or solicit any insurance other than the  
18 coverages described in this section without an insurance license. No auto  
19 rental employee or auto rental agency shall advertise or otherwise hold  
20 themselves out as licensed insurers, insurance agents or insurance brokers.

21 The commissioner of insurance shall adopt rules and regulations with  
22 respect to the scope, subclassification, type and conduct of such  
23 examination. Examinations shall be given to applicants at least twice a  
24 month in Topeka, Kansas, and at least quarterly in other convenient  
25 locations in the state of Kansas. The commissioner shall publish or arrange  
26 for the publication of information and material which applicants can use to  
27 prepare for such examination. One or more rating organizations, advisory  
28 organizations or other associations may be designated by the  
29 commissioner to assist in, or assume responsibility for, distribution of the  
30 study manuals to applicants and other interested parties. Persons  
31 purchasing the study manual shall be charged a reasonable fee established  
32 or approved by the commissioner. In the event the publication and  
33 distribution of the study material or the development and conduct of  
34 examinations is delegated to private firms, organizations or associations  
35 and the state incurs no expense or obligation, the provisions of K.S.A. 75-  
36 3738 ~~to through 75-3744, inclusive~~, and amendments thereto, shall not  
37 apply. If the commissioner of insurance finds that the individual applicant  
38 is trustworthy, competent and has satisfactorily completed the  
39 examination, the commissioner shall forthwith issue to the applicant a  
40 license as an insurance agent but the issuance of such license shall confer  
41 no authority to transact business in this state until the agent has been  
42 certified by a company pursuant to K.S.A. 40-241i, and amendments  
43 thereto. If such applicant fails to satisfactorily complete the examination,

1 the examination may be retaken following a waiting period of not less than  
2 seven days from the date of the last attempt. If the applicant again fails to  
3 satisfactorily complete the examination, it may be retaken following  
4 another waiting period of not less than seven days from the date of the  
5 most recent attempt. ~~Thereafter, the examination may be retaken following~~  
6 ~~a waiting period of not less than six months from the date of the most~~  
7 ~~recent attempt, except that following a waiting period of two years from~~  
8 ~~the date of the applicant's last examination attempt an applicant will be~~  
9 ~~treated as a new applicant and new examination and waiting periods shall~~  
10 ~~apply.~~

11 Sec. 2. K.S.A. 2020 Supp. 40-4902 is hereby amended to read as  
12 follows: 40-4902. As used in this act:

13 (a) "Approved subject" or "approved course" means any educational  
14 presentation involving insurance fundamentals, insurance law, insurance  
15 policies and coverage, insurance needs, insurance risk management,  
16 insurance agency management or other areas, which is offered in a class,  
17 seminar, computer based training, interactive internet training or other  
18 similar form of instruction, and ~~which~~ *that* has been approved by the  
19 commissioner under this act as expanding skills and knowledge obtained  
20 prior to initial licensure under this act or developing new and relevant  
21 skills and knowledge in preparation for such licensure.

22 (b) "Biennial due date" means ~~the date~~ *last day of the birth month of*  
23 any licensed insurance agent who is required to complete C.E.C.'s and  
24 report the completion of such C.E.C.'s to the commissioner pursuant to this  
25 act, except that such due date shall not be earlier than two years from the  
26 date of the insurance agent's initial licensure under this act. The biennial  
27 due date for a registered business entity shall be the *last day of the month*  
28 *of the date of initial licensure under this act.*

29 (c) "Biennium" means the period starting with the insurance agent's  
30 biennial due date in 2001 and each two-year period thereafter for any  
31 insurance agent who was born in an odd-numbered year. For any insurance  
32 agent who was born in an even-numbered year, the term shall mean the  
33 period starting with the insurance agent's biennial due date in 2002 and  
34 each two-year period thereafter. The biennium for a registered business  
35 entity shall be the two-year period following such business entity's initial  
36 licensure or renewal of such license.

37 (d) "Broker" means any individual who acts or aids in any manner in  
38 negotiating contracts of insurance, or in placing risks or in soliciting or  
39 effecting contracts of insurance as an agent for an insured other than such  
40 individual and not as an agent of an insurance company or any other type  
41 of insurance carrier. The term "broker" ~~shall~~ *does* not include: A person  
42 working as an officer for an insurance carrier, or in a clerical,  
43 administrative or service capacity for an insurance carrier, licensed agent

1 or broker, provided that such person does not solicit contracts of insurance.  
2 ~~The term "broker" shall not include, or~~ an attorney-at-law in the  
3 performance of such attorney's duties, an insured who places or negotiates  
4 the placement of such insured's own insurance, or any employee of an  
5 insured engaged in placing or negotiating for placement of insurance for  
6 such employee's employer.

7 (e) "Business entity" means any corporation, association, partnership,  
8 limited liability company, limited liability partnership or other legal entity.

9 (f) "C.E.C." means continuing education credit containing at least 50  
10 minutes of instruction in each clock hour. The term C.E.C. also includes  
11 any value, expressed in a whole number of units, assigned by the  
12 commissioner to an approved subject.

13 (g) "Commissioner" means the commissioner of insurance as defined  
14 in K.S.A. 40-102, and amendments thereto. The term "commissioner  
15 ~~shall~~" also ~~include~~ *includes* any authorized representative or designee of  
16 the commissioner.

17 (h) "Department" means the insurance department established by  
18 K.S.A. 40-102, and amendments thereto.

19 (i) "Home state" means the District of Columbia and any state or  
20 territory of the United States in which an insurance agent maintains such  
21 agent's principal place of residence or principal place of business and is  
22 licensed to act as an insurance agent.

23 (j) "Inactive agent" means any licensed agent who presents evidence  
24 satisfactory to the commissioner ~~which~~ *that* demonstrates that such agent  
25 will not do any act toward transacting the business of insurance for not ~~less~~  
26 ~~than two but not~~ more than four years from the date such evidence is  
27 received by the commissioner.

28 (k) "Insurance agent" and "agent" means any person required to be  
29 licensed under the provisions of chapter 40 of the Kansas Statutes  
30 Annotated, and amendments thereto, to sell, solicit or negotiate insurance.  
31 For the purposes of ~~this the uniform agents licensing act~~, whenever the  
32 terms "agent" or "broker" appear in chapter 40 of the Kansas Statutes  
33 Annotated, and amendments thereto, each term ~~shall mean~~ *means*  
34 insurance agent unless the context requires otherwise. "Insurance agent"  
35 also includes the terms "insurance producer" or "producer."

36 (l) "Insurance" means any of the lines of authority specified in  
37 ~~subsection (a) of~~ K.S.A. 2020 Supp. 40-4903(a), and amendments thereto.

38 (m) "Insurance producer" or "producer" means any person licensed  
39 under the laws of another state to sell, solicit, or negotiate insurance. For  
40 the purposes of this act, the terms "insurance agent" and "agent" ~~shall~~  
41 ~~include~~ an "insurance producer" or "producer" when the context so  
42 requires. In the context of a producer database maintained by this state,  
43 another state or the NAIC, the term "producer" ~~shall include~~ *includes*

1 "agent."

2 (n) "Insurer" and "insurance company"—~~shall have the meaning~~  
3 ~~ascribed to the term~~ *means the same as "insurance company" as defined by*  
4 K.S.A. 40-222c, and amendments thereto.

5 (o) "License" means a document issued by ~~this state's insurance~~ *the*  
6 commissioner authorizing a person to act as an insurance agent for the  
7 lines of authority specified in such document.

8 (p) "Limited line credit insurance" includes credit life, credit  
9 disability, credit property, credit unemployment, involuntary  
10 unemployment, mortgage life, mortgage guaranty, mortgage disability,  
11 automobile dealer gap insurance and any other form of insurance offered  
12 in connection with an extension of credit that is limited to partially or  
13 wholly extinguishing that credit obligation that the insurance  
14 commissioner determines should be designated a form of limited line  
15 credit insurance.

16 (q) "Limited line credit insurance agent" means a person who sells,  
17 solicits or negotiates one or more forms of limited line credit insurance  
18 coverage to individuals through a master, corporate, group or individual  
19 policy.

20 (r) "NAIC" means the national association of insurance  
21 commissioners.

22 (s) "Negotiate" means the act of conferring directly with or offering  
23 advice directly to any purchaser or prospective purchaser of a particular  
24 contract of insurance concerning any of the substantive benefits, terms or  
25 conditions of such contract, provided that the person engaged in such act  
26 either sells insurance or obtains insurance from insurers for purchasers.

27 (t) "Person" means an individual or a business entity.

28 (u) "Sell" means to exchange a contract of insurance by any means,  
29 for money or its equivalent, on behalf of an insurance company.

30 (v) "Solicit"—~~shall include~~ *includes* any attempt to sell insurance or  
31 asking or urging a person to apply for any particular kind of insurance  
32 from any particular insurance company.

33 Sec. 3. K.S.A. 2020 Supp. 40-4903 is hereby amended to read as  
34 follows: 40-4903. (a) Unless denied licensure pursuant to K.S.A.2020  
35 Supp. 40-4909, and amendments thereto, any person who meets the  
36 requirements of K.S.A. 2020 Supp. 40-4905, and amendments thereto,  
37 shall be issued an insurance agent license. An insurance agent may receive  
38 qualifications for a license in one or more of the following lines of  
39 authority:

40 (1) Life—: Insurance coverage on human lives including benefits of  
41 endowment and annuities, and may include benefits in the event of death  
42 or dismemberment by accident and benefits for disability income.

43 (2) Accident and health or sickness—: Insurance coverage for

1 sickness, bodily injury or accidental death and may include benefits for  
2 disability income.

3 (3) Property—: Insurance coverage for the direct or consequential  
4 loss or damage to property of every kind.

5 (4) Casualty—: Insurance coverage against legal liability, including  
6 that for death, injury or disability or damage to real or personal property.

7 (5) Variable life and variable annuity products—: Insurance  
8 coverage provided under variable life insurance contracts, variable  
9 annuities or any other life insurance or annuity product that reflects the  
10 investment experience of a separate account.

11 (6) Personal lines—: Property and casualty insurance coverage sold  
12 primarily to an individual or family for noncommercial purposes.

13 (7) Credit—: Limited line credit insurance.

14 (8) Crop insurance—: Limited line insurance for damage to crops  
15 from unfavorable weather conditions, fire, lightning, flood, hail, insect  
16 infestation, disease or other yield-reducing conditions or any other peril  
17 subsidized by the federal crop insurance corporation, including multi-peril  
18 crop insurance.

19 (9) Title insurance—: Limited line insurance that insures titles to  
20 property against loss by reason of defective titles or encumbrances.

21 (10) Travel insurance—: Limited line insurance for personal risks  
22 incidental to planned travel, including, but not limited to:

23 (A) Interruption or cancellation of trip or event;

24 (B) loss of baggage or personal effects;

25 (C) damages to accommodations or rental vehicles; or

26 (D) sickness, accident, disability or death occurring during travel.

27 Travel insurance does not include major medical plans, ~~which~~ *that* provide  
28 comprehensive medical protection for travelers with trips lasting six  
29 months or longer, for example, persons working overseas including  
30 military personnel deployed overseas.

31 (11) Pre-need funeral insurance—: Limited line insurance that  
32 allows for the purchase of a life insurance or annuity contract by or on  
33 behalf of the insured solely to fund a pre-need contract or arrangement  
34 with a funeral home for specific services.

35 (12) Bail bond insurance—: Limited line insurance that provides  
36 surety for a monetary guarantee that an individual released from jail will  
37 be present in court at an appointed time.

38 (13) Self-service storage unit insurance—: Limited line insurance  
39 relating to the rental of self-service storage units, including:

40 (A) Personal effects insurance that provides coverage to renters of  
41 storage units at the same facility for the loss of, or damage to, personal  
42 effects that occurs at the same facility during the rental period; and

43 (B) any other coverage that the commissioner may approve as

1 meaningful and appropriate in connection with the rental of storage units.  
2 Such insurance may only be issued in accordance with section 1, and  
3 amendments thereto.

4 (14) Any other line of insurance permitted under the provisions of  
5 chapter 40 of the Kansas Statutes Annotated, and amendments thereto, and  
6 any rules and regulations promulgated thereunder.

7 (b) Unless suspended, revoked or refused renewal pursuant to K.S.A.  
8 2020 Supp. 40-4909, and amendments thereto, an insurance agent license  
9 shall remain in effect as long as:

10 (1) Education requirements for resident individual agents are met by  
11 such insurance agent's biennial due date;

12 (2) *such insurance agent submits an application for renewal on a*  
13 *form prescribed by the commissioner; and*

14 (3) *on and after January 1, 2022, such insurance agent pays a*  
15 *biennial renewal application fee of \$4.*

16 (c) ~~(1) (A) On and after the effective date of this act: (1) July 1, 2001,~~  
17 ~~through December 31, 2021, each licensed insurance agent who is an~~  
18 ~~individual and holds a property or casualty qualification, or both, or a~~  
19 ~~personal lines qualification shall biennially obtain a minimum of 12~~  
20 ~~C.E.C.s in courses certified as property and casualty which shall include~~  
21 ~~that includes at least one hour of instruction in insurance ethics which~~  
22 ~~also, and may include regulatory compliance. No more than three of the~~  
23 ~~required C.E.C.s shall be in insurance agency management.~~

24 (B) *On and after January 1, 2022, except as provided in paragraphs*  
25 *(3) through (6), each licensed insurance agent shall biennially obtain a*  
26 *minimum of 18 C.E.C.s that include at least three hours of instruction in*  
27 *insurance ethics that also may include regulatory compliance.*

28 ~~(2) Each licensed insurance agent who is an individual and holds a~~  
29 ~~life, accident and health, or variable contracts qualification, or any~~  
30 ~~combination thereof, shall biennially complete 12 C.E.C.s in courses~~  
31 ~~certified as life, accident and health, or variable contracts which shall~~  
32 ~~include at least one hour of instruction in insurance ethics which also may~~  
33 ~~include regulatory compliance. No more than three of the required C.E.C.s~~  
34 ~~shall be in insurance agency management.~~  
35 *On and after July 1, 2001,*  
36 *through December 31, 2021, each licensed insurance agent who is an*  
37 *individual and holds a life, accident and health, or variable contracts*  
38 *qualification, or any combination thereof, shall biennially obtain a*  
39 *minimum of 12 C.E.C.s in courses certified as life, accident and health, or*  
40 *variable contracts that include at least one hour of instruction in*  
*insurance ethics and may include regulatory compliance.*

41 (3) Each licensed insurance agent who is an individual and holds only  
42 a crop qualification shall biennially obtain a minimum of two C.E.C.s in  
43 courses certified as crop C.E.C.s under the property and casualty category.

1 (4) Each licensed insurance agent who is an individual and is licensed  
2 only for title insurance shall biennially obtain a minimum of four C.E.C.s  
3 in courses certified by the board of abstract examiners as title C.E.C.s  
4 under the property and casualty category.

5 (5) Each licensed insurance agent who is an individual and holds a  
6 life insurance license solely for the purpose of selling pre-need funeral  
7 insurance or annuity products shall file a report on or before such agent's  
8 biennial due date affirming that such agent transacted no other insurance  
9 business during the period covered by the report. Upon request of the  
10 commissioner, an agent shall provide certification from an officer of each  
11 insurance company ~~which~~ *that* has appointed such agent that the agent  
12 transacted no other insurance business during the period covered by the  
13 report. Agents who have offered to sell or sold only pre-need funeral  
14 insurance are exempt from the requirement to obtain C.E.C.s.

15 (6) Each licensed insurance agent who is an individual and holds only  
16 a bail bond, *self-service storage unit or travel insurance* qualification is  
17 exempt from the requirement to obtain C.E.C.s.

18 ~~(d) On and after the effective date of this act, each individual~~  
19 ~~insurance agent who holds a license with both a property or casualty~~  
20 ~~qualification, or both, and a life, accident and health or variable contracts~~  
21 ~~qualification, or any combination thereof, and who earns C.E.C.s from~~  
22 ~~courses certified by the commissioner as qualifying for credit in any class,~~  
23 ~~may apply, at such insurance agent's option, such C.E.C.s toward either the~~  
24 ~~property or casualty continuing education requirement or to the life,~~  
25 ~~accident and health or variable contracts continuing education~~  
26 ~~requirement. However, no C.E.C. shall be applied to satisfy both the~~  
27 ~~biennial property or casualty requirement, or both, and the biennial~~  
28 ~~requirement for life, accident and health or variable contracts, or any~~  
29 ~~combination thereof.~~

30 ~~(e)~~—An instructor of an approved subject shall be entitled to the same  
31 C.E.C. as a student completing the study.

32 ~~(f)~~(e) (1) An individual insurance agent who has been licensed for  
33 more than one year, on or before such insurance agent's biennial due date,  
34 shall file a report with the commissioner certifying that such insurance  
35 agent has met the continuing education requirements for the previous  
36 biennium ending on such insurance agent's biennial due date. Each  
37 individual insurance agent shall maintain a record of all courses attended  
38 together with a certificate of attendance for the remainder of the biennium  
39 in which the courses were attended and the entire next succeeding  
40 biennium.

41 (2) If the required report showing proof of continuing education  
42 completion is not received by the commissioner by the individual  
43 insurance agent's biennial due date, such individual insurance agent's



1 qualification and each and every corresponding license shall be suspended  
2 automatically for a period of 90 calendar days or until such time as the  
3 producer satisfactorily demonstrates completion of the continuing  
4 education requirement whichever is sooner. In addition, the commissioner  
5 shall assess a penalty of \$100 for each license suspended. If such insurance  
6 agent fails to furnish to the commissioner the required proof of continuing  
7 education completion and the monetary penalty within 90 calendar days of  
8 such insurance agent's biennial due date, such individual insurance agent's  
9 qualification and each and every corresponding license shall expire on  
10 such insurance agent's biennial due date. If after more than three but less  
11 than 12 months from the date the license expired, the insurance agent  
12 wants to reinstate such insurance agent's license, such individual shall  
13 provide the required proof of continuing education completion and pay a  
14 reinstatement fee in the amount of \$100 for each license suspended. If  
15 after more than 12 months from the date an insurance agent's license has  
16 expired, such insurance agent wants to reinstate such insurance agent's  
17 license, such individual shall apply for an insurance agent's license,  
18 provide the required proof of continuing education completion and pay a  
19 reinstatement fee in the amount of \$100 for each license suspended. Upon  
20 receipt of a written application from such insurance agent claiming  
21 extreme hardship, the commissioner may waive any penalty imposed  
22 under this subsection.

23 (3) On and after the effective date of this act, any applicant for an  
24 individual insurance agent's license who previously held a license ~~which~~  
25 *that* expires on or after June 30, 2001, because of failure to meet  
26 continuing education requirements and who seeks to be relicensed shall  
27 provide evidence that appropriate C.E.C.s have been completed for the  
28 prior biennium.

29 (4) Upon receipt of a written application from an individual insurance  
30 agent, the commissioner, in cases involving medical hardship or military  
31 service, may extend the time within which to fulfill the minimum  
32 continuing educational requirements for a period of not to exceed 180  
33 days.

34 (5) This section shall not apply to any inactive insurance agent during  
35 the period of such inactivity. For the purposes of this paragraph, "inactive  
36 period" or "period of inactivity" ~~shall mean~~ *means* a continuous period of  
37 time of ~~not less than two years and~~ not more than four years starting from  
38 the date inactive status is granted by the commissioner. Before returning to  
39 active status, such inactive insurance agent shall:

40 (A) File a report with the commissioner certifying that such agent has  
41 met the continuing education requirement; and

42 (B) pay the renewal fee. If the required proof of continuing education  
43 completion and the renewal fee is not furnished at the end of the inactive

1 period, such individual insurance agent's qualification and each and every  
2 corresponding license shall expire at the end of the period of inactivity. For  
3 issuance of a new license, the individual shall apply for a license and pass  
4 the required examination.

5 (6) Any individual who allows such individual's insurance agent  
6 license in this state and all other states in which such individual is licensed  
7 as an insurance agent to expire for a period of four or more consecutive  
8 years, shall apply for a new insurance agent license and pass the required  
9 examination.

10 ~~(g)~~(f) (1) Each course, program of study, or subject shall be submitted  
11 to and certified by the commissioner in order to qualify for purposes of  
12 continuing education.

13 (2) Each request for certification of any course, program of study or  
14 subject shall contain the following information:

- 15 (A) The name of the provider or provider organization;
- 16 (B) the title of such course, program of study or subject;
- 17 (C) the date the course, program of study or subject will be offered;
- 18 (D) the location where the course, program of study or subject will be  
19 offered;
- 20 (E) an outline of each course, program of study or subject including a  
21 schedule of times when such material will be presented;
- 22 (F) the names and qualifications of instructors;
- 23 (G) the number of C.E.C.s requested;
- 24 (H) a nonrefundable C.E.C. qualification fee in the amount of \$50 per  
25 course, program of study or subject or \$250 per year for all courses,  
26 programs of study or subjects submitted by a specific provider or provider  
27 organization; and

28 (I) a nonrefundable annual provider fee of \$100.

29 (3) Upon receipt of such information, the commissioner shall grant or  
30 deny certification of any submitted course, program of study or subject as  
31 an approved subject, program of study or course and indicate the number  
32 of C.E.C.s that will be recognized for each approved course, program of  
33 study or subject. Each approved course, program of study or subject shall  
34 be assigned by the commissioner to one or both of the following classes:

- 35 (A) Property and casualty; or
- 36 (B) life insurance, including annuity and variable contracts, and  
37 accident and health insurance.

38 (4) Each course, program of study or subject shall have a value of at  
39 least one C.E.C.

40 (5) (A) Each provider seeking approval of a course, program of study  
41 or subject for continuing education credit shall issue or cause to be issued  
42 to each person who attends a course, program of study or subject offered  
43 by such provider a certificate of attendance. The certificate shall be signed

1 by either the instructor who presents the course, program of study or  
2 course or such provider's authorized representative. Each provider shall  
3 maintain a list of all individuals who attend courses offered by such  
4 provider for continuing education credit for the remainder of the biennium  
5 in which the courses are offered and the entire next succeeding biennium.

6 (B) The commissioner shall accept, without substantive review, any  
7 course, program of study or subject submitted by a provider ~~which~~ that has  
8 been approved by the insurance supervisory authority of any other state or  
9 territory accredited by the NAIC. The commissioner may disapprove any  
10 individual instructor or provider who has been the subject of disciplinary  
11 proceedings or who has otherwise failed to comply with any other state's  
12 or territory's laws or regulations.

13 (6) The commissioner may grant or approve any specific course,  
14 program of study or course that has appropriate merit, such as any course,  
15 programs of study or course with broad national or regional recognition,  
16 without receiving any request for certification. The fee prescribed by  
17 subsection ~~(g)~~ (f)(2) shall not apply to any approval granted pursuant to  
18 this provision.

19 (7) The C.E.C. value assigned to any course, program of study or  
20 subject, other than a correspondence course, computer based training,  
21 interactive internet study training or other course pursued by independent  
22 study, shall in no way be contingent upon passage or satisfactory  
23 completion of any examination given in connection with such course,  
24 program of study or subject. The commissioner shall establish, by rules  
25 and regulations criteria for determining acceptability of any method used  
26 for verification of the completion of each stage of any computer based or  
27 interactive internet study training. Completion of any computer based  
28 training or interactive internet study training shall be verified in  
29 accordance with a method approved by the commissioner.

30 ~~(h)~~(g) Upon request, the commissioner shall provide a list of all  
31 approved continuing education courses currently available to the public.

32 ~~(i)~~(h) An individual insurance agent who independently studies an  
33 insurance course, program of study or subject ~~which~~ that is not an agent's  
34 examination approved by the commissioner ~~and who passes an~~  
35 ~~independently monitored examination~~, shall receive credit for the C.E.C.s  
36 assigned by the commissioner as recognition for the approved subject. No  
37 other credit shall be given for independent study.

38 ~~(j)~~(i) Any licensed individual insurance agent who is unable to  
39 comply with license renewal procedures due to military service or some  
40 other extenuating circumstances may request a waiver of those procedures  
41 from the commissioner. Such agent may also request from the  
42 commissioner a waiver of any examination requirement or any other fine  
43 or sanction imposed for failure to comply with renewal procedures.

1       Sec. 4. K.S.A. 2020 Supp. 40-4905 is hereby amended to read as  
2 follows: 40-4905. (a) Subject to the provisions of K.S.A. 2020 Supp. 40-  
3 4904, and amendments thereto, it shall be unlawful for any person to sell,  
4 solicit or negotiate any insurance within this state unless such person has  
5 been issued a license as an insurance agent in accordance with this act.

6       (b) Any person applying for a resident insurance agent license shall  
7 make application on a form prescribed by the commissioner. The applicant  
8 shall declare under penalty of perjury that the statements made in the  
9 application are true, correct and complete to the best of the applicant's  
10 knowledge and belief. Before approving the application, the commissioner  
11 shall determine that the applicant:

12       (1) Is at least 18 years of age;

13       (2) has not committed any act that is grounds for denial pursuant to  
14 this section or suspension or revocation pursuant to K.S.A. 2020 Supp. 40-  
15 4909, and amendments thereto;

16       (3) has paid a nonrefundable fee in the amount of \$30; and

17       (4) has successfully passed the examination for each line of authority  
18 for which the applicant has applied.

19       (c) If the applicant is a business entity, then, *in addition to the*  
20 *requirements of subsection (a)*, the commissioner shall ~~make the following~~  
21 ~~additional determinations in addition to those required by subsection (a):~~

22       ~~(1) — also determine the name and address of a licensed agent who~~  
23 ~~shall be responsible for the business entity's compliance with the insurance~~  
24 ~~laws of this state and the rules and regulations promulgated thereunder;~~

25       ~~(2) — that each officer, director, partner and employee of the business~~  
26 ~~entity who acts as an insurance agent is licensed as an insurance agent;~~

27       ~~(3) — that the business entity has disclosed to the department all of its~~  
28 ~~officers, directors and partners whether or not such officers, directors,~~  
29 ~~partners and employees are licensed as insurance agents; and~~

30       ~~(4) — that the business entity has disclosed to the department each~~  
31 ~~officer, director, partner and employee who is licensed as an insurance~~  
32 ~~agent.~~

33       ~~(d) — Any business entity which acts as an insurance agent and holds a~~  
34 ~~direct agency appointment from an insurance company shall be required to~~  
35 ~~obtain an insurance agent license.~~

36       ~~(e)~~(d) The commissioner may require the applicant to furnish any  
37 document or other material reasonably necessary to verify the information  
38 contained in an application.

39       ~~(f)~~(e) Each insurer that sells, solicits or negotiates any form of limited  
40 line credit insurance shall provide a program of instruction that may be  
41 approved by the commissioner to each individual employed by or acting  
42 on behalf of such insurer to sell, solicit or negotiate limited line credit  
43 insurance.

1       ~~(g) (1) Each licensed insurance agent shall notify the commissioner of~~  
2 ~~any officer, director, partner or employee of such insurance agent who:~~

3       ~~(A) Is licensed as an individual insurance agent; and~~

4       ~~(B) was not disclosed in such insurance agent's application for a~~  
5 ~~license or any renewal thereof.~~

6       ~~(2) Each licensed insurance agent shall notify the commissioner of~~  
7 ~~any of its officers, directors, partners or employees who:~~

8       ~~(A) Have terminated such relationship as an officer, director, partner~~  
9 ~~or employee of such insurance agent; and~~

10       ~~(B) has been previously disclosed in such insurance agent's~~  
11 ~~application for a license or any renewal thereof.~~

12       ~~(3) Each licensed insurance agent shall notify the commissioner~~  
13 ~~within 30 working days of occurrence of any event required to be reported~~  
14 ~~under paragraphs (1) or (2) of this subsection. Failure to provide the~~  
15 ~~commissioner with the information required by this subsection shall~~  
16 ~~subject the licensee to a monetary penalty of \$10 per day for each working~~  
17 ~~day the required information is late subject to a maximum of \$50 per~~  
18 ~~person per licensing year.~~

19       ~~(f) (1) Each person or entity licensed in this state as an insurance~~  
20 ~~agent shall report the following to the commissioner within 30 calendar~~  
21 ~~days of occurrence:~~

22       ~~(A) Each disciplinary action on the agent's license or licenses by the~~  
23 ~~insurance regulatory agency of any other state or territory of the United~~  
24 ~~States;~~

25       ~~(B) each disciplinary action on an occupational license held by the~~  
26 ~~licensee, other than an insurance agent's license, by the appropriate~~  
27 ~~regulatory authority of this or any other jurisdiction;~~

28       ~~(C) each judgment or injunction entered against the licensee on the~~  
29 ~~basis of a violation of any insurance law or conduct involving fraud,~~  
30 ~~deceit or misrepresentation;~~

31       ~~(D) all details of any conviction of a misdemeanor or felony other~~  
32 ~~than minor traffic violations. The details shall include the name of the~~  
33 ~~arresting agency, the location and date of the arrest, the nature of the~~  
34 ~~charge or charges, the court in which the case was tried and the~~  
35 ~~disposition rendered by the court;~~

36       ~~(E) each change of name. If the change of name is effected by court~~  
37 ~~order, a copy of the court order shall be furnished to the commissioner;~~

38       ~~(F) each change in residence or mailing address, email address or~~  
39 ~~telephone number;~~

40       ~~(G) each change in the name or address of the agency with which the~~  
41 ~~agent is associated; and~~

42       ~~(H) each termination of a business relationship with an insurer if the~~  
43 ~~termination is for cause, including the reason for the termination of the~~

1 *business relationship with such insurer.*

2 (2) *Each person or entity licensed in this state as an insurance agent*  
3 *shall provide to the commissioner, upon request, a current listing of*  
4 *company affiliations and affiliated insurance agents.*

5 (3) *Each business entity licensed in this state as an insurance agent*  
6 *shall report each change in legal or mailing address, email address and*  
7 *telephone number to the commissioner within 30 days of occurrence.*

8 (4) *Each business entity licensed in this state as an insurance agent*  
9 *shall report each change in the name and address of the licensed agent*  
10 *who shall be responsible for the business entity's compliance with the*  
11 *insurance laws of this state to the commissioner within 30 days of*  
12 *occurrence.*

13 ~~(h)~~(g) Any applicant whose application for a license is denied shall be  
14 given an opportunity for a hearing in accordance with the provisions of the  
15 Kansas administrative procedure act.

16 ~~(h)~~(h) (1) The commissioner may require a person applying for a  
17 resident insurance agent license to be fingerprinted and submit to a state  
18 and national criminal history record check. The fingerprints shall be used  
19 to identify the applicant and to determine whether the applicant has a  
20 record of criminal arrests and convictions in this state or other  
21 jurisdictions. The commissioner is authorized to submit the fingerprints to  
22 the Kansas bureau of investigation and the federal bureau of investigation  
23 for a state and national criminal history record check. Local and state law  
24 enforcement officers and agencies shall assist the commissioner in the  
25 taking and processing of fingerprints of applicants and shall release all  
26 records of an applicant's arrests and convictions to the commissioner.

27 (2) The commissioner may conduct, or have a third party conduct, a  
28 background check on a person applying for a resident insurance agent  
29 license.

30 (3) Whenever the commissioner requires fingerprinting, a  
31 background check, or both, any associated costs shall be paid by the  
32 applicant.

33 (4) The commissioner may use the information obtained from a  
34 background check, fingerprinting and the applicant's criminal history only  
35 for purposes of verifying the identification of any applicant and in the  
36 official determination of the fitness of the applicant to be issued a license  
37 as an insurance agent in accordance with this act.

38 (5) A person applying for a resident insurance agent license who has  
39 been fingerprinted and has submitted to a state and national criminal  
40 history record check within the past 12 months in connection with the  
41 successful issuance or renewal of any other state-issued license may  
42 submit proof of such good standing to the commissioner in lieu of  
43 submitting to the fingerprinting and criminal history record checks

1 described in subsections ~~(i)(h)(1)~~ and ~~(i)(h)(2)~~.

2 Sec. 5. K.S.A. 2020 Supp. 40-4909 is hereby amended to read as  
3 follows: 40-4909. (a) The commissioner may deny, suspend, revoke or  
4 refuse renewal of any license issued under this act if the commissioner  
5 finds that the applicant or license holder has:

6 (1) Provided incorrect, misleading, incomplete or untrue information  
7 in the license application.

8 (2) Violated:

9 (A) Any provision of chapter 40 of the Kansas Statutes Annotated,  
10 and amendments thereto, or any ~~rule rules~~ and ~~regulation regulations~~  
11 promulgated thereunder;

12 (B) any subpoena or order of the commissioner;

13 (C) any insurance law or regulation of another state; or

14 (D) any subpoena or order issued by the regulatory official for  
15 insurance in another state.

16 (3) Obtained or attempted to obtain a license under this act through  
17 misrepresentation or fraud.

18 (4) Improperly withheld, misappropriated or converted any moneys  
19 or properties received in the course of doing insurance business.

20 (5) Intentionally misrepresented the provisions, terms and conditions  
21 of an actual or proposed insurance contract or application for insurance.

22 (6) Been convicted of a misdemeanor or felony.

23 (7) Admitted to or been found to have committed any insurance  
24 unfair trade practice or fraud in violation of K.S.A. 40-2404, and  
25 amendments thereto.

26 (8) Used any fraudulent, coercive, or dishonest practice, or  
27 demonstrated any incompetence, untrustworthiness or financial  
28 irresponsibility in the conduct of business in this state or elsewhere.

29 (9) Had an insurance agent license, or its equivalent, denied,  
30 suspended or revoked in any ~~other~~ state, district or territory.

31 (10) Forged another person's name to an application for insurance or  
32 to any document related to an insurance transaction.

33 (11) Improperly used notes or any other reference material to  
34 complete an examination for an insurance license issued under this act.

35 (12) Knowingly accepted insurance business from an individual who  
36 is not licensed.

37 (13) Failed to comply with any administrative or court order  
38 imposing a child support obligation upon the applicant or license holder.

39 (14) Failed to pay any state income tax or comply with any  
40 administrative or court order directing payment of state income tax.

41 (15) Rebated the whole or any part of any insurance premium or  
42 offered in connection with the presentation of any contract of insurance  
43 any other inducement not contained in the contract of insurance.

1 (16) Made any misleading representation or incomplete comparison  
2 of policies to any person for the purposes of inducing or tending to induce  
3 such person to lapse, forfeit or surrender such person's insurance then in  
4 force.

5 (17) *Failed to respond to an inquiry from the commissioner within 15*  
6 *business days.*

7 (b) In addition, the commissioner may *deny*, suspend, revoke or  
8 refuse renewal of any license issued under this act if the commissioner  
9 finds that the interests of the insurer or the insurable interests of the public  
10 are not properly served under such license.

11 (c) (1) *When considering whether to deny, suspend, revoke or refuse*  
12 *to renew the application of an individual who has been convicted of a*  
13 *misdemeanor or felony, the commissioner shall consider the:*

14 (A) *Applicant's age at the time of the conduct;*

15 (B) *recency of the conduct;*

16 (C) *reliability of the information concerning the conduct;*

17 (D) *seriousness of the conduct;*

18 (E) *factors underlying the conduct;*

19 (F) *cumulative effect of the conduct or information;*

20 (G) *evidence of rehabilitation;*

21 (H) *applicant's social contributions since the conduct;*

22 (I) *applicant's candor in the application process; and*

23 (J) *materiality of any omissions or misrepresentations.*

24 (2) *In determining whether to reinstate or grant to an applicant a*  
25 *license that has been revoked, the commissioner shall consider the:*

26 (A) *Present moral fitness of the applicant;*

27 (B) *demonstrated consciousness by the applicant of the wrongful*  
28 *conduct and disrepute that the conduct has brought to the insurance*  
29 *profession;*

30 (C) *extent of the applicant's rehabilitation;*

31 (D) *seriousness of the original conduct;*

32 (E) *applicant's conduct subsequent to discipline;*

33 (F) *amount of time that has elapsed since the original discipline;*

34 (G) *applicant's character, maturity and experience at the time of*  
35 *revocation; and*

36 (H) *applicant's present competence and skills in the insurance*  
37 *industry.*

38 (d) Any action taken under this section ~~which~~ that affects any license  
39 or imposes any administrative penalty shall be taken only after notice and  
40 an opportunity for a hearing conducted in accordance with the provisions  
41 of the Kansas administrative procedures act.

42 ~~(d)~~(e) The license of any business entity may be suspended, revoked  
43 or refused renewal if the insurance commissioner finds that any violation



1 committed by an individual licensee employed by or acting on behalf of  
2 such business entity was known by or should have been known by one or  
3 more of the partners, officers or managers acting on behalf of the business  
4 entity and:

5 (1) Such violation was not reported to the insurance commissioner by  
6 such business entity; or

7 (2) such business entity failed to take any corrective action.

8 ~~(e)~~(f) None of the following actions shall deprive the commissioner of  
9 any jurisdiction or right to institute or proceed with any disciplinary  
10 proceeding against such license, to render a decision suspending, revoking  
11 or refusing to renew such license, or to establish and make a record of the  
12 facts of any violation of law for any lawful purpose:

13 (1) The imposition of an administrative penalty under this section;

14 (2) the lapse or suspension of any license issued under this act by  
15 operation of law;

16 (3) the licensee's failure to renew any license issued under this act; or

17 (4) the licensee's voluntary surrender of any license issued under this  
18 act. No such disciplinary proceeding shall be instituted against any  
19 licensee after the expiration of two years from the termination of the  
20 license.

21 ~~(f)~~(g) Whenever the commissioner imposes any administrative  
22 penalty or denies, suspends, revokes or refuses renewal of any license  
23 pursuant to subsection (a), any costs incurred as a result of conducting an  
24 administrative hearing authorized under the provisions of this section shall  
25 be assessed against the person who is the subject of the hearing or any  
26 business entity represented by such person who is the party to the matters  
27 giving rise to the hearing. As used in this subsection, "costs" shall include  
28 witness fees, mileage allowances, any costs associated with the  
29 reproduction of documents ~~which~~ *that* become a part of the hearing record  
30 and the expense of making a record of the hearing.

31 ~~(g)~~(h) No person whose license as an agent or broker had been  
32 suspended or revoked shall be employed by any insurance company doing  
33 business in this state either directly, indirectly, as an independent  
34 contractor or otherwise to negotiate or effect contracts of insurance,  
35 suretyship or indemnity or perform any act toward the solicitation of or  
36 transaction of any business of insurance during the period of such  
37 suspension or revocation.

38 ~~(h)~~(i) In lieu of taking any action under subsection (a), the  
39 commissioner may:

40 (1) Censure the person; or

41 (2) issue an order imposing an administrative penalty up to a  
42 maximum of \$500 for each violation but not to exceed \$2,500 for the same  
43 violation occurring within any six consecutive calendar months from the

1 date of the original violation unless such person knew or should have  
2 known that the violative act could give rise to disciplinary action under  
3 subsection (a). If such person knew or reasonably should have known the  
4 violative act could give rise to any disciplinary proceeding authorized by  
5 subsection (a), the commissioner may impose a penalty up to a maximum  
6 of \$1,000 for each violation but not to exceed \$5,000 for the same  
7 violation occurring within any six consecutive calendar months from the  
8 date of the imposition of the original administrative penalty.

9 *(j) (1) An applicant to whom a license has been denied after a*  
10 *hearing shall not apply for a license again until after the expiration of a*  
11 *period of one year from the date of the commissioner's order or such other*  
12 *period of time as the commissioner may prescribe in the order.*

13 *(2) A licensee whose license was revoked shall not apply for a license*  
14 *again until after the expiration of a period of five years from the date of*  
15 *the commissioner's order or such other period of time as the commissioner*  
16 *may prescribe in the order or revocation.*

17 Sec. 6. On and after January 1, 2022, K.S.A. 2020 Supp. 40-4912 is  
18 hereby amended to read as follows: 40-4912. (a) Any company authorized  
19 to transact business in this state may, upon determining that the insurance  
20 agent is of good business reputation and, if an individual, has had  
21 experience in insurance or will immediately receive a course of instruction  
22 in insurance and on the policies and policy forms of such company,  
23 appoint such insurance agent as the insurance agent of the company under  
24 the license in effect for the insurance agent. The appointment shall be  
25 made on a form prescribed by the commissioner. Such form shall be sent  
26 to the commissioner within 30 days of the date the company appoints such  
27 insurance agent. A nonrefundable appointment or certification fee set forth  
28 in K.S.A. 40-252, and amendments thereto, shall be paid in accordance  
29 with the billing procedures established by the commissioner. Such  
30 procedures shall require payment of the fees annually, based on the  
31 number of insurance agents appointed during the calendar year preceding  
32 the return. The certification fees required by K.S.A. 40-252, and  
33 amendments thereto, shall be due for all insurance agents appointed by the  
34 company during the preceding calendar year, irrespective of the number of  
35 months the insurance agent was appointed for that year. The certification  
36 fee shall not be returned for any reason, and failure of the company to  
37 certify an insurance agent within 30 working days of such insurance  
38 agent's appointment shall subject the company to a penalty of not more  
39 than \$25 per calendar day from the date the appropriate return was  
40 required from the date of appointment to the date proper certification is  
41 recorded by the insurance department.

42 ~~(b) Certification of other than an individual insurance agent will~~  
43 ~~automatically include each licensed insurance agent who is an officer,~~

1 ~~director, partner, employee or otherwise legally associated with the~~  
2 ~~corporation, association, partnership or other legal entity appointed by the~~  
3 ~~company. The required annual certification fee shall be paid for each~~  
4 ~~licensed insurance agent certified by the company and the prescribed~~  
5 ~~reporting form shall be returned at the same time the company files its tax~~  
6 ~~returns as required by K.S.A. 40-252, and amendments thereto.~~

7 (e) With respect to insurance on growing crops, evidence satisfactory  
8 to the commissioner that the insurance agent is qualified to transact  
9 insurance in accordance with standards or procedures established by any  
10 branch of the federal government shall be deemed to be the equivalent of  
11 certification by a company.

12 (d)(c) Duly licensed insurance agents transacting business in  
13 accordance with the provisions of article 41 of chapter 40 of the Kansas  
14 Statutes Annotated, and amendments thereto, shall be deemed to be  
15 certified by a company for the kinds of insurance permitted under the  
16 license in effect for the insurance agent.

17 Sec. 7. K.S.A. 2020 Supp. 40-4915 is hereby amended to read as  
18 follows: 40-4915. (a) Notwithstanding the provisions of K.S.A. 2020  
19 Supp. 40-4903 and 40-4906, and amendments thereto, any person who is  
20 currently licensed as an insurance agent on the day before the effective  
21 date of this act and whose biennial due date occurred during the 24  
22 calendar months immediately preceding the effective date of this act shall  
23 be deemed to be licensed as an insurance agent under this act unless such  
24 person's license has been suspended, revoked or refused renewal prior to  
25 the effective date of this act.

26 (b) Any person licensed as an insurance agent under the provisions of  
27 subsection (a) shall renew such license in accordance with the provisions  
28 of this act on or before the first occurrence of such person's biennial due  
29 date after the effective date of this act.

30 (c) *If the required renewal application is not received by the*  
31 *commissioner by the individual insurance agent's biennial due date, such*  
32 *individual insurance agent's qualification and each corresponding license*  
33 *shall be suspended automatically for a period of 90 calendar days or until*  
34 *such time as the agent satisfactorily submits a completed application,*  
35 *whichever occurs first. In addition, the commissioner shall assess a*  
36 *penalty of \$100 for each license suspended. If such insurance agent fails*  
37 *to furnish to the commissioner the required renewal application and the*  
38 *monetary penalty within 90 calendar days of such insurance agent's*  
39 *biennial due date, such individual insurance agent's qualification and*  
40 *each corresponding license shall expire on such insurance agent's biennial*  
41 *due date. If, after more than three but less than 12 months from the date*  
42 *the license expired, the insurance agent desires to reinstate such insurance*  
43 *agent's license, such individual shall provide the required renewal*

1 application and pay a reinstatement fee in the amount of \$100 for each  
2 license suspended. If, after more than 12 months from the date an  
3 insurance agent's license has expired, such insurance agent desires to  
4 reinstate such insurance agent's license, such individual shall apply for an  
5 insurance agent's license, provide the required proof of continuing  
6 education completion and pay a reinstatement fee in the amount of \$100  
7 for each license suspended. Upon receipt of a written application from  
8 such insurance agent claiming extreme hardship, the commissioner may  
9 waive any penalty imposed under this subsection.

10 Sec. 8. K.S.A. 2020 Supp. 40-5505 is hereby amended to read as  
11 follows: 40-5505. (a) Before issuing a public adjuster license to an  
12 applicant under ~~this~~ the public adjusters licensing act, the commissioner  
13 shall find that the applicant:

14 (1) Is eligible to designate this state as the applicant's home state or is  
15 a nonresident who is not eligible for a license under K.S.A. 2020 Supp. 40-  
16 5508, and amendments thereto;

17 (2) has not committed any act that is a ground for denial, suspension  
18 or revocation of a license as set forth in K.S.A. 2020 Supp. 40-5510, and  
19 amendments thereto;

20 (3) is trustworthy, reliable and of good reputation, evidence of which  
21 may be determined by the commissioner;

22 (4) is financially responsible to exercise the rights and privileges  
23 under the license and has provided proof of financial responsibility as  
24 required in K.S.A. 2020 Supp. 40-5511, and amendments thereto;

25 (5) has paid an application fee of \$100; and

26 (6) maintains an office in the home state with public access during  
27 regular business hours or by reasonable appointment.

28 (b) In addition to satisfying the requirements of subsection (a), an  
29 applicant shall:

30 (1) Be at least 18 years of age; and

31 (2) have successfully passed the public adjuster examination.

32 (c) The commissioner may require any documents reasonably  
33 necessary to verify the information contained in the application.

34 (d) (1) The commissioner may require a person applying for a public  
35 adjuster license to be fingerprinted and submit to a state and national  
36 criminal history record check or to submit to a background check, or both.

37 (A) The fingerprints shall be used to identify the applicant and to  
38 determine whether the applicant has a record of criminal history in this  
39 state or another jurisdiction. The commissioner shall submit the  
40 fingerprints to the Kansas bureau of investigation and the federal bureau  
41 of investigation for a state and national criminal history record check.  
42 Local and state law enforcement officers and agencies shall assist the  
43 commissioner in the taking and processing of fingerprints of applicants

1 *and shall release all records of an applicant's arrests and convictions to*  
2 *the commissioner.*

3 *(B) The commissioner may conduct or have a third party conduct a*  
4 *background check on a person applying for a public adjuster license.*

5 *(2) Whenever the commissioner requires fingerprinting or a*  
6 *background check, or both, any associated costs shall be paid by the*  
7 *applicant.*

8 *(3) The commissioner may use the information obtained from a*  
9 *background check, fingerprinting and the applicant's criminal history only*  
10 *for purposes of verifying the identity of the applicant and in the official*  
11 *determination of the fitness of the applicant to be issued a license as a*  
12 *public adjuster in accordance with the public adjusters licensing act.*

13 Sec. 9. K.S.A. 2020 Supp. 40-5512 is hereby amended to read as  
14 follows: 40-5512. (a) As used in this section:

15 (1) "Biennial due date" means the *last day of the month of the* date of  
16 birth of any public adjuster who is required to complete continuing  
17 education credits and report the completion of the continuing education  
18 credits to the commissioner, except that such due date shall not be earlier  
19 than two years from the date of the public adjuster's initial licensure under  
20 this act.

21 (2) "Biennium" means, for any public adjuster who was born in an  
22 odd-numbered year, the two-year period starting with the public adjuster's  
23 biennial due date in 2011 and each two-year period thereafter. For any  
24 public adjuster who was born in an even-numbered year, such term means  
25 the two-year period starting with the public adjuster's biennial due date in  
26 2012 and each two-year period thereafter.

27 (b) An individual, who holds a public adjuster license and who is not  
28 exempt under subsection (d), shall satisfactorily complete a minimum of  
29 ~~12 18~~ hours of continuing education courses, ~~which shall include 11 hours~~  
30 ~~of property/casualty or general continuing education courses and one hour~~  
31 *including three hours* of ethics, reported on a biennial basis in conjunction  
32 with the license renewal cycle. Only continuing education courses  
33 approved by the commissioner shall be used to satisfy the requirements of  
34 this subsection.

35 (c) Unless suspended, revoked or refused renewal pursuant to K.S.A.  
36 2020 Supp. 40-5510, and amendments thereto, a public adjuster's license  
37 shall remain in effect as long as the education requirements for a resident  
38 public adjuster are met by such public adjuster's biennial due date.

39 (d) The continuing education requirements of this section shall not  
40 apply to licensees holding nonresident public adjuster licenses who have  
41 met the continuing education requirements of their home state and whose  
42 home state gives credit to residents of this state on the same basis.

43 Sec. 10. K.S.A. 2020 Supp. 40-241, 40-4902, 40-4903, 40-4905, 40-

1 4909, 40-4915, 40-5505 and 40-5512 are hereby repealed.

2 Sec. 11. On and after January 1, 2022, K.S.A. 2020 Supp. 40-4912 is  
3 hereby repealed.

4 Sec. 12. This act shall take effect and be in force from and after its  
5 publication in the statute book.