

REPORTS OF STANDING COMMITTEES

MR. SPEAKER:

The Committee on **Insurance** recommends **HB 2519** be amended on page 16, following line 8, by inserting:

"Sec. 4. K.S.A. 2011 Supp. 40-4905 is hereby amended to read as follows: 40-4905. (a) Subject to the provisions of K.S.A. 2011 Supp. 40-4904, and amendments thereto, it shall be unlawful for any person to sell, solicit or negotiate any insurance within this state unless such person has been issued a license as an insurance agent in accordance with this act.

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

- (1) Is at least 18 years of age;
- (2) has not committed any act that is grounds for denial pursuant to this section or suspension or revocation pursuant to K.S.A. 2011 Supp. 40-4909, and amendments thereto;
- (3) is a citizen of the United States or is an alien lawfully present in the United States;
- ~~(3)~~ (4) has paid a nonrefundable fee in the amount of \$30; and
- ~~(4)~~ (5) has successfully passed the examination for each line of authority for which the applicant has applied.

(c) If the applicant is a business entity, then the commissioner shall make the following additional determinations in addition to those required by subsection (a):

(1) The name and address of a licensed agent who shall be responsible for the business entity's compliance with the insurance laws of this state and the rules and regulations promulgated thereunder;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) (1) For the purposes of determining citizenship of the applicant, the commissioner may rely upon any document submitted by the applicant and which is specified in subsection (l) of K.S.A. 2011 Supp. 25-2309, and amendments thereto.

(2) For the purposes of determining whether an alien is lawfully present in the United States, the commissioner shall make a reasonable attempt, when practicable, to determine the immigration status of the applicant. Such determination shall be made by contacting the federal government pursuant to 8 U.S.C. § 1373(c) and relying on the verification provided by the federal government."

And by renumbering sections accordingly;

Also on page 16, in line 10, by striking "and" and inserting a comma; also in line 10, after "22-2410a" by inserting "and 40-4905";

On page 1, in the title, in line 1, by striking "expungement" and inserting "licensure of insurance agents"; in line 2, after "license" by inserting "; allowing the insurance department access to

expungement records of applicants for insurance agent license"; also in line 2, by striking "and" and inserting a comma; in line 3, after "2410" by inserting "and 40-4905"; and the bill be passed as amended.

_____Chairperson