

8-2405. Insurance required of dealers; limitations on cancellation. No dealer's license shall be issued or renewed unless the applicant or holder of the license shall have on file with the division an approved insurance policy, issued by an insurance carrier authorized to transact business within the state of Kansas. The term of the policy shall be continuous and shall remain in full force and effect until canceled under proper notice. All policies must be issued in the name of the holder or applicant for the vehicle dealer's license and shall provide public liability and property damage insurance for the operation of any vehicle by prospective purchasers, owned or being offered for sale by the dealer when being operated by the owner or seller, the seller's agent, servants, employees, prospective customers or other persons. The limits of liability shall correspond to the amount required by law in this state for bodily injury or death of any one person, bodily injury or death in any one accident and property damage. Such insurance may not be cancelled unless 30 days' notice by the insurance carrier has been given in writing to the director. Upon the effective date of cancellation of any insurance policy required under this section, the license to engage in business as a dealer shall be void.

History: L. 1980, ch. 36, § 5; L. 1981, ch. 48, § 5; L. 1983, ch. 44, § 1; L. 1991, ch. 33, § 22; July 1.