

HOUSE BILL No. 2499

By Committee on Insurance

1-18

1 AN ACT concerning the uniform insurance agents licensing act; relating to
2 appointment of agents; certification; amending K.S.A. 2017 Supp. 40-
3 4912 and repealing the existing section.
4

5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2017 Supp. 40-4912 is hereby amended to read as
7 follows: 40-4912. (a) Any company authorized to transact business in this
8 state may, upon determining that the insurance agent is of good business
9 reputation and, if an individual, has had experience in insurance or will
10 immediately receive a course of instruction in insurance and on the
11 policies and policy forms of such company, appoint such insurance agent
12 as the insurance agent of the company under the license in effect for the
13 insurance agent. The appointment shall be made on a form prescribed by
14 the commissioner. Such form shall be sent to the commissioner within 30
15 days of the date the company appoints such insurance agent. A
16 nonrefundable appointment or certification fee set forth in K.S.A. 40-252,
17 and amendments thereto, shall be paid in accordance with the billing
18 procedures established by the commissioner. Such procedures shall require
19 payment of the fees annually, based on the number of insurance agents
20 appointed during the calendar year preceding the return. The certification
21 fees required by K.S.A. 40-252, and amendments thereto, shall be due for
22 all insurance agents appointed by the company during the preceding
23 calendar year, irrespective of the number of months the insurance agent
24 was appointed for that year. The certification fee shall not be returned for
25 any reason, and failure of the company to certify an insurance agent within
26 30 working days of such insurance agent's appointment shall subject the
27 company to a penalty of not more than \$25 per calendar day from the date
28 the appropriate return was required from the date of appointment to the
29 date proper certification is recorded by the insurance department.

30 ~~(b) Certification of other than an individual insurance agent will~~
31 ~~automatically include each licensed insurance agent who is an officer,~~
32 ~~director, partner, employee or otherwise legally associated with the~~
33 ~~corporation, association, partnership or other legal entity appointed by the~~
34 ~~company. The required annual certification fee shall be paid for each~~
35 ~~licensed insurance agent certified by the company and the prescribed~~
36 ~~reporting form shall be returned at the same time the company files its tax~~

1 ~~returns as required by K.S.A. 40-252, and amendments thereto.~~

2 ~~(e)~~ With respect to insurance on growing crops, evidence satisfactory
3 to the commissioner that the insurance agent is qualified to transact
4 insurance in accordance with standards or procedures established by any
5 branch of the federal government shall be deemed to be the equivalent of
6 certification by a company.

7 ~~(d)~~ *(c)* Duly licensed insurance agents transacting business in
8 accordance with the provisions of article 41 of chapter 40 of the Kansas
9 Statutes Annotated, and amendments thereto, shall be deemed to be
10 certified by a company for the kinds of insurance permitted under the
11 license in effect for the insurance agent.

12 Sec. 2. K.S.A. 2017 Supp. 40-4912 is hereby repealed.

13 Sec. 3. This act shall take effect and be in force from and after its
14 publication in the statute book.