

2018 Kansas Statutes

40-5003. Same; license applications, renewal, fee, information required, powers of commissioner.

(a) No person shall operate as a viatical settlement provider or viatical settlement broker without first obtaining a license from the commissioner or the insurance regulatory official of the state of residence of the viator. If there is more than one viator on a single policy and the viators are residents of different states, the viatical settlement shall be governed by the law of the state in which the viator having the largest percentage ownership resides or, if the viators hold equal ownership, the state of residence of one viator agreed upon in writing by all viators.

(b) Application for a viatical settlement provider license shall be made to the commissioner by the applicant on a form prescribed by the commissioner, and these applications shall be accompanied by a nonrefundable fee of \$1,000.

(c) Licenses for viatical settlement providers may be renewed from year to year on the anniversary date upon payment of the annual renewal fee of \$500. Failure to pay the fees by the renewal date results in expiration of the license.

(d) Application for a viatical settlement broker license shall be made to the commissioner by the applicant on a form prescribed by the commissioner. Each application shall be accompanied by a nonrefundable application fee of \$100.

(e) Licenses for a viatical settlement broker license may be renewed from year to year on the anniversary date upon payment of the annual renewal fee of \$50. Failure to pay the fees by the renewal date results in expiration of such license.

(f) The applicant shall provide information on forms required by the commissioner. The commissioner shall have authority, at any time, to require the applicant to fully disclose the identity of all stockholders, partners, officers, members and employees, and the commissioner, in the exercise of the commissioner's discretion, may refuse to issue a license in the name of a legal entity if not satisfied that any officer, employee, stockholder, partner or member thereof who may materially influence the applicant's conduct meets the standards of this act.

(g) A license issued to a legal entity authorizes all partners, officers, members and designated employees to act as viatical settlement providers or viatical settlement brokers, as applicable, under the license, and all those persons shall be named in the application and any supplements to the application.

(h) Upon the filing of an application and the payment of the license fee, the commissioner shall make an investigation of each applicant and issue a license if the commissioner finds that the applicant:

- (1) If a viatical settlement provider, has provided a detailed plan of operation;
- (2) is competent and trustworthy and intends to act in good faith in the capacity involved by the license applied for;
- (3) has a good business reputation and has had experience, training or education so as to be qualified in the business for which the license is applied for;
- (4) if a legal entity, provides a certificate of good standing from the state of its domicile; and
- (5) if a viatical settlement provider or viatical settlement broker, has provided an anti-fraud plan that meets the requirements of paragraph (g) of K.S.A. 2018 Supp. 40-5012, and amendments thereto.

(i) The commissioner shall not issue a license to a nonresident applicant, unless a written designation of an agent for service of process is filed and maintained with the commissioner or the applicant has filed with the commissioner, the applicant's written irrevocable consent that any action against the applicant may be commenced against the applicant by service of process on the commissioner.

(j) A viatical settlement provider or viatical settlement broker shall provide to the commissioner new or revised information about officers, 10% or more stockholders, partners, directors, members or designated employees within 30 days of the change.

History: L. 2002, ch. 158, § 3; May 23.