

SENATE BILL NO. 501

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR WIELAND.

2237S.01H

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal sections 375.018 and 384.043, RSMo, and to enact in lieu thereof two new sections relating to licensure of insurance producers.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 375.018 and 384.043, RSMo, are
2 repealed and two new sections enacted in lieu thereof, to be
3 known as sections 375.018 and 384.043, to read as follows:

375.018. 1. Unless denied licensure pursuant to
2 section 375.141, persons who have met the requirements of
3 sections 375.014, 375.015 and 375.016 shall be issued an
4 insurance producer license for a term of two years. An
5 insurance producer may qualify for a license in one or more
6 of the following lines of authority:

7 (1) Life insurance coverage on human lives including
8 benefits of endowment and annuities, and may include
9 benefits in the event of death or dismemberment by accident
10 and benefits for disability income;

11 (2) Accident and health or sickness insurance coverage
12 for sickness, bodily injury or accidental death and may
13 include benefits for disability income;

14 (3) Property insurance coverage for the direct or
15 consequential loss or damage to property of every kind;

16 (4) Casualty insurance coverage against legal
17 liability, including that for death, injury or disability or
18 damage to real or personal property;

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 (5) Variable life and variable annuity products
20 insurance coverage provided under variable life insurance
21 contracts and variable annuities;

22 (6) Personal lines property and casualty insurance
23 coverage sold to individuals and families for primarily
24 noncommercial purposes;

25 (7) Credit-limited line credit insurance;

26 (8) Any other line of insurance permitted under state
27 laws or regulations.

28 2. Any insurance producer who is certified by the
29 Federal Crop Insurance Corporation on September 28, 1995, to
30 write federal crop insurance shall not be required to have a
31 property license for the purpose of writing federal crop
32 insurance.

33 3. The biennial renewal fee for a producer's license
34 is one hundred dollars for each license. A producer's
35 license shall be renewed biennially on the [anniversary]
36 **birth** date of [issuance] **the producer** and continue in effect
37 until refused, revoked or suspended by the director in
38 accordance with section 375.141.

39 4. An individual insurance producer who allows his or
40 her license to expire may, within twelve months from the due
41 date of the renewal fee, reinstate the same license without
42 the necessity of passing a written examination. The
43 insurance producer seeking relicensing pursuant to this
44 subsection shall provide proof that the continuing education
45 requirements have been met and shall pay a penalty of twenty-
46 five dollars per month that the license was expired in
47 addition to the requisite renewal fees that would have been
48 paid had the license been renewed in a timely manner.
49 Nothing in this subsection shall require the director to

50 relicense any insurance producer determined to have violated
51 the provisions of section 375.141.

52 5. A business entity insurance producer that allows
53 the license to expire may, within twelve months of the due
54 date of the renewal, reinstate the license by paying the
55 license fee that would have been paid had the license been
56 renewed in a timely manner plus a penalty of twenty-five
57 dollars per month that the license was expired.

58 6. The license shall contain the name, address,
59 identification number of the insurance producer, the date of
60 issuance, the lines of authority, the expiration date and
61 any other information the director deems necessary.

62 7. Insurance producers shall inform the director by
63 any means acceptable to the director of a change of address
64 within thirty days of the change. Failure to timely inform
65 the director of a change in legal name or address may result
66 in a forfeiture not to exceed the sum of ten dollars per
67 month.

68 8. In order to assist the director in the performance
69 of his or her duties, the director may contract with
70 nongovernmental entities, including the National Association
71 of Insurance Commissioners or any affiliates or subsidiaries
72 that the organization oversees or through any other method
73 the director deems appropriate, to perform any ministerial
74 functions, including the collection of fees, related to
75 producer licensing that the director may deem appropriate.

76 9. Any bank or trust company in the sale or issuance
77 of insurance products or services shall be subject to the
78 insurance laws of this state and rules adopted by the
79 department of commerce and insurance.

80 10. A licensed insurance producer who is unable to
81 comply with license renewal procedures due to military

82 service or some other extenuating circumstance, such as a
83 long-term medical disability, may request a waiver of those
84 procedures. The producer may also request a waiver of any
85 other fine or sanction imposed for failure to comply with
86 renewal procedures.

87 **11. In order to effectuate and aid in the**
88 **interpretation of this section, the director, under section**
89 **374.045, may adopt rules and regulations codifying a process**
90 **to prorate licensure periods in order that all renewals**
91 **subsequent to January 1, 2022 will occur biennially on a**
92 **licensee's birth date.**

384.043. 1. No insurance producer shall procure any
2 contract of surplus lines insurance with any nonadmitted
3 insurer, unless he possesses a current surplus lines
4 insurance license issued by the director.

5 2. The director shall issue a surplus lines license to
6 any qualified holder of a current resident or nonresident
7 property and casualty insurance producer license but only
8 when the licensee has:

9 (1) Remitted the one hundred dollar initial fee to the
10 director;

11 (2) Submitted a completed license application on a
12 form supplied by the director; and

13 (3) Passed a qualifying examination approved by the
14 director, except that all holders of a license prior to July
15 1, 1987, shall be deemed to have passed such an examination.

16 3. Each surplus lines license shall be renewed for a
17 term of two years on the [biennial anniversary] **birth** date
18 of [issuance] **the licensee** and continue in effect until
19 refused, revoked or suspended by the director in accordance
20 with section 384.065; except that if the biennial renewal
21 fee for the license is not paid on or before the

22 [anniversary] **birth date of the licensee**, the license
23 terminates. The biennial renewal fee is one hundred dollars.

24 4. Beginning on or before July 1, 2012, the director
25 shall participate in the national insurance producer
26 database of the National Association of Insurance
27 Commissioners, or any other equivalent uniform national
28 database, for the licensure of surplus lines licensees and
29 the renewal of such licenses.

30 5. Notwithstanding any other provision of this
31 chapter, a person selling, soliciting, or negotiating
32 nonadmitted insurance with respect to an insured shall be
33 required to obtain or possess a current surplus lines
34 insurance license issued by the director only if this state
35 is such insured's home state.

36 6. **In order to effectuate and aid in the**
37 **interpretation of this section, the director, under section**
38 **374.045, may adopt rules and regulations codifying a process**
39 **to prorate licensure periods in order that all renewals**
40 **subsequent to January 1, 2022 will occur biennially on a**
41 **licensee's birth date.**

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