

FIRST REGULAR SESSION

HOUSE BILL NO. 1156

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HILL.

2419H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 375.018 and 384.043, RSMo, and to enact in lieu thereof two new sections relating to licensing requirements for 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Section A. Sections 375.018 and 384.043, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 375.018 and 384.043, to read as follows:

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

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

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

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

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

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

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

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 (7) Credit-limited line credit insurance;

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

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

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

27 4. An individual insurance producer who allows his or her license to expire may, within
28 twelve months from the due date of the renewal fee, reinstate the same license without the
29 necessity of passing a written examination. The insurance producer seeking relicensing pursuant
30 to this subsection shall provide proof that the continuing education requirements have been met
31 and shall pay a penalty of twenty-five dollars per month that the license was expired in addition
32 to the requisite renewal fees that would have been paid had the license been renewed in a timely
33 manner. Nothing in this subsection shall require the director to relicense any insurance producer
34 determined to have violated the provisions of section 375.141.

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

39 6. The license shall contain the name, address, identification number of the insurance
40 producer, the date of issuance, the lines of authority, the expiration date and any other
41 information the director deems necessary.

42 7. Insurance producers shall inform the director by any means acceptable to the director
43 of a change of address within thirty days of the change. Failure to timely inform the director of
44 a change in legal name or address may result in a forfeiture not to exceed the sum of ten dollars
45 per month.

46 8. In order to assist the director in the performance of his or her duties, the director may
47 contract with nongovernmental entities, including the National Association of Insurance
48 Commissioners or any affiliates or subsidiaries that the organization oversees or through any
49 other method the director deems appropriate, to perform any ministerial functions, including the
50 collection of fees, related to producer licensing that the director may deem appropriate.

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

54 10. A licensed insurance producer who is unable to comply with license renewal
55 procedures due to military service or some other extenuating circumstance, such as a long-term
56 medical disability, may request a waiver of those procedures. The producer may also request a
57 waiver of any other fine or sanction imposed for failure to comply with renewal procedures.

58 **11. The director may promulgate rules using the authority granted under section**
59 **375.045 to assist in the implementation of this section, including prorating licensure periods**
60 **so that all renewals after January 1, 2022, shall occur biennially on a licensee's birth date.**

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

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

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

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

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

11 3. Each surplus lines license shall be renewed for a term of two years on the [~~biennial~~
12 ~~anniversary~~] **birth** date of [~~issuance~~] **the licensee** and continue in effect until refused, revoked
13 or suspended by the director in accordance with section 384.065; except that if the biennial
14 renewal fee for the license is not paid on or before the [~~anniversary~~] **birth date of the licensee**,
15 the license terminates. The biennial renewal fee is one hundred dollars.

16 4. Beginning on or before July 1, 2012, the director shall participate in the national
17 insurance producer database of the National Association of Insurance Commissioners, or any
18 other equivalent uniform national database, for the licensure of surplus lines licensees and the
19 renewal of such licenses.

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

24 **6. The director may promulgate rules using the authority granted under section**
25 **375.045 to assist in the implementation of this section, including prorating licensure periods**
26 **so that all renewals after January 1, 2022, shall occur biennially on a licensee's birth date.**

✓