

**HOUSE BILL No. 2090**

By Committee on Insurance

1-19

1 AN ACT concerning insurance; relating to the uniform insurance agents  
2 licensure act; public adjusters licensing act; authorizing the  
3 commissioner of insurance to set the amount of certain fees; requiring  
4 information obtained from background checks, fingerprinting and  
5 criminal history records checks be used solely for the purpose of  
6 verifying the identification of an applicant and the fitness of an  
7 applicant to be issued a license as an insurance agent; amending K.S.A.  
8 40-4905, 40-4906 and 40-5505 and repealing the existing sections.  
9

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

10 Section 1. K.S.A. 40-4905 is hereby amended to read as follows: 40-  
11 4905. (a) Subject to the provisions of K.S.A. 40-4904, and amendments  
12 thereto, it shall be unlawful for any person to sell, solicit or negotiate any  
13 insurance within this state unless such person has been issued a license as  
14 an insurance agent in accordance with this act.  
15

16 (b) Any person applying for a resident insurance agent license shall  
17 make application on a form prescribed by the commissioner. The applicant  
18 shall declare under penalty of perjury that the statements made in the  
19 application are true, correct and complete to the best of the applicant's  
20 knowledge and belief. Before approving the application, the commissioner  
21 shall determine that the applicant:

22 (1) Is at least 18 years of age;  
23 (2) has not committed any act that is grounds for denial pursuant to  
24 this section or suspension or revocation pursuant to K.S.A. 40-4909, and  
25 amendments thereto;

26 (3) has paid a nonrefundable fee ~~in the amount of~~ set by the  
27 commissioner in an amount not to exceed \$30; and

28 (4) has successfully passed the examination for each line of authority  
29 for which the applicant has applied.

30 (c) If the applicant is a business entity, then, in addition to the  
31 requirements of subsection (a), the commissioner shall also determine the  
32 name and address of a licensed agent who shall be responsible for the  
33 business entity's compliance with the insurance laws of this state and the  
34 rules and regulations promulgated thereunder.

35 (d) The commissioner may require the applicant to furnish any  
36 document or other material reasonably necessary to verify the information

1 may be determined by the commissioner;

2 (4) is financially responsible to exercise the rights and privileges  
3 under the license and has provided proof of financial responsibility as  
4 required in K.S.A. 40-5511, and amendments thereto;

5 (5) has paid an application fee ~~of not to exceed~~ \$100; and

6 (6) maintains an office in the home state with public access during  
7 regular business hours or by reasonable appointment.

8 (b) In addition to satisfying the requirements of subsection (a), an  
9 applicant shall:

10 (1) Be at least 18 years of age; and

11 (2) have successfully passed the public adjuster examination.

12 (c) The commissioner may require any documents reasonably  
13 necessary to verify the information contained in the application.

14 (d) (1) The commissioner may require a person applying for a public  
15 adjuster license to be fingerprinted and submit to a state and national  
16 criminal history record check or to submit to a background check, or both.

17 (A) The fingerprints shall be used to identify the applicant and to  
18 determine whether the applicant has a record of criminal history in this  
19 state or another jurisdiction. The commissioner shall submit the  
20 fingerprints to the Kansas bureau of investigation and the federal bureau of  
21 investigation for a state and national criminal history record check. Local  
22 and state law enforcement officers and agencies shall assist the  
23 commissioner in the taking and processing of fingerprints of applicants  
24 and shall release all records of an applicant's arrests and convictions to the  
25 commissioner.

26 (B) The commissioner may conduct or have a third party conduct a  
27 background check on a person applying for a public adjuster license.

28 (2) Whenever the commissioner requires fingerprinting or a  
29 background check, or both, any associated costs shall be paid by the  
30 applicant.

31 (3) The commissioner may use the information obtained from a  
32 background check, fingerprinting and the applicant's criminal history only  
33 for purposes of verifying the identity of the applicant and in the official  
34 determination of the fitness of the applicant to be issued a license as a  
35 public adjuster in accordance with the public adjusters licensing act.

36 (e) *Not later than December 1 of each year, the commissioner shall*  
37 *set and publish in the Kansas register the application fees required*  
38 *pursuant to subsection (a) for the next calendar year.*

39 Sec. 4. K.S.A. 40-4905, 40-4906 and 40-5505 are hereby repealed.

40 Sec. 5. This act shall take effect and be in force from and after its  
41 publication in the ~~statute book~~