

2021 Kansas Statutes

40-4905. Same; insurance agent license required; application; fingerprinting and criminal history background check; powers of commissioner; hearing. (a) Subject to the provisions of K.S.A. 40-4904, and amendments thereto, it shall be unlawful for any person to sell, solicit or negotiate any insurance within this state unless such person has been issued a license as an insurance agent in accordance with this act.

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

- (1) Is at least 18 years of age;
- (2) has not committed any act that is grounds for denial pursuant to this section or suspension or revocation pursuant to K.S.A. 40-4909, and amendments thereto;
- (3) has paid a nonrefundable fee in the amount of \$30; and
- (4) has successfully passed the examination for each line of authority for which the applicant has applied.

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

(d) The commissioner may require the applicant to furnish any document or other material reasonably necessary to verify the information contained in an application.

(e) Each insurer that sells, solicits or negotiates any form of limited line credit insurance shall provide a program of instruction that may be approved by the commissioner to each individual employed by or acting on behalf of such insurer to sell, solicit or negotiate limited line credit insurance.

(f) (1) Each person or entity licensed in this state as an insurance agent shall report the following to the commissioner within 30 calendar days of occurrence:

(A) Each disciplinary action on the agent's license or licenses by the insurance regulatory agency of any other state or territory of the United States;

(B) each disciplinary action on an occupational license held by the licensee, other than an insurance agent's license, by the appropriate regulatory authority of this or any other jurisdiction;

(C) each judgment or injunction entered against the licensee on the basis of a violation of any insurance law or conduct involving fraud, deceit or misrepresentation;

(D) all details of any conviction of a misdemeanor or felony other than minor traffic violations. The details shall include the name of the arresting agency, the location and date of the arrest, the nature of the charge or charges, the court in which the case was tried and the disposition rendered by the court;

(E) each change of name. If the change of name is effected by court order, a copy of the court order shall be furnished to the commissioner;

(F) each change in residence or mailing address, email address or telephone number;

(G) each change in the name or address of the agency with which the agent is associated; and

(H) each termination of a business relationship with an insurer if the termination is for cause, including the reason for the termination of the business relationship with such insurer.

- (2) Each person or entity licensed in this state as an insurance agent shall provide to the commissioner, upon request, a current listing of company affiliations and affiliated insurance agents.
- (3) Each business entity licensed in this state as an insurance agent shall report each change in legal or mailing address, email address and telephone number to the commissioner within 30 days of occurrence.
- (4) Each business entity licensed in this state as an insurance agent shall report each change in the name and address of the licensed agent who shall be responsible for the business entity's compliance with the insurance laws of this state to the commissioner within 30 days of occurrence.
- (g) Any applicant whose application for a license is denied shall be given an opportunity for a hearing in accordance with the provisions of the Kansas administrative procedure act.
- (h) (1) The commissioner may require a person applying for a resident insurance agent license to be fingerprinted and submit to a state and national criminal history record check. The fingerprints shall be used to identify the applicant and to determine whether the applicant has a record of criminal arrests and convictions in this state or other jurisdictions. The commissioner is authorized to submit the fingerprints to the Kansas bureau of investigation and the federal bureau of investigation for a state and national criminal history record check. Local and state law enforcement officers and agencies shall assist the commissioner in the taking and processing of fingerprints of applicants and shall release all records of an applicant's arrests and convictions to the commissioner.
- (2) The commissioner may conduct, or have a third party conduct, a background check on a person applying for a resident insurance agent license.
- (3) Whenever the commissioner requires fingerprinting, a background check, or both, any associated costs shall be paid by the applicant.
- (4) The commissioner may use the information obtained from a background check, fingerprinting and the applicant's criminal history only for purposes of verifying the identification of any applicant and in the official determination of the fitness of the applicant to be issued a license as an insurance agent in accordance with this act.
- (5) A person applying for a resident insurance agent license who has been fingerprinted and has submitted to a state and national criminal history record check within the past 12 months in connection with the successful issuance or renewal of any other state-issued license may submit proof of such good standing to the commissioner in lieu of submitting to the fingerprinting and criminal history record checks described in subsections (h)(1) and (h) (2).

History: L. 2001, ch. 91, § 5; L. 2017, ch. 69, § 3; L. 2021, ch. 23, § 4; July 1.