

## Part 1 General Provisions

### **31A-23a-101 Purposes.**

The purposes of this chapter include:

- (1) promoting the professional competence of insurance producers, surplus lines producers, limited line producers, consultants, managing general agents, and reinsurance intermediaries;
- (2) providing maximum freedom of marketing methods for insurance, consistent with the interests of the Utah public;
- (3) preserving and encouraging competition at the consumer level;
- (4) regulating insurance marketing practices in conformity with the general purposes of this title;
- (5) governing the qualifications and procedures for the licensing of insurance producers, surplus lines producers, limited line producers, consultants, managing general agents, and reinsurance intermediaries; and
- (6) promoting uniform licensing requirements between the several states.

Amended by Chapter 253, 2012 General Session

### **31A-23a-102 Definitions.**

As used in this chapter:

- (1) "Bail bond producer" is as defined in Section 31A-35-102.
- (2) "Designated home state" means the state or territory of the United States or the District of Columbia:
  - (a) in which an insurance producer, limited lines producer, consultant, managing general agent, or reinsurance intermediary licensee does not maintain the licensee's principal:
    - (i) place of residence; or
    - (ii) place of business;
  - (b) if the resident state, territory, or District of Columbia of the licensee does not license for the line of authority sought, the licensee has qualified for the license as if the person were a resident in the state, territory, or District of Columbia described in Subsection (2)(a), including an applicable:
    - (i) examination requirement;
    - (ii) fingerprint background check requirement; and
    - (iii) continuing education requirement; and
  - (c) if the licensee has designated the state, territory, or District of Columbia as the designated home state.
- (3) "Home state" means:
  - (a) a state or territory of the United States or the District of Columbia in which an insurance producer, limited lines producer, consultant, managing general agent, or reinsurance intermediary licensee:
    - (i) maintains the licensee's principal:
      - (A) place of residence; or
      - (B) place of business; and
    - (ii) is licensed to act as a resident licensee; or
  - (b) if the resident state, territory, or the District of Columbia described in Subsection (3)(a) does not license for the line of authority sought, a state, territory, or the District of Columbia:
    - (i) in which the licensee is licensed;

- (ii) in which the licensee is in good standing; and
  - (iii) that the licensee has designated as the licensee's designated home state.
- (4) "Insurer" is as defined in Section 31A-1-301, except that the following persons or similar persons are not insurers for purposes of Part 7, Producer Controlled Insurers:
- (a) a risk retention group as defined in:
    - (i) the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499;
    - (ii) the Risk Retention Act, 15 U.S.C. Sec. 3901 et seq.; and
    - (iii) Chapter 15, Part 2, Risk Retention Groups Act;
  - (b) a residual market pool;
  - (c) a joint underwriting authority or association; and
  - (d) a captive insurer.
- (5) "License" is defined in Section 31A-1-301.
- (6)
- (a) "Managing general agent" means a person that:
    - (i) manages all or part of the insurance business of an insurer, including the management of a separate division, department, or underwriting office;
    - (ii) acts as an agent for the insurer whether it is known as a managing general agent, manager, or other similar term;
    - (iii) produces and underwrites an amount of gross direct written premium equal to, or more than, 5% of the policyholder surplus as reported in the last annual statement of the insurer in any one quarter or year:
      - (A) with or without the authority;
      - (B) separately or together with an affiliate; and
      - (C) directly or indirectly; and
    - (iv)
      - (A) adjusts or pays claims in excess of an amount determined by the commissioner; or
      - (B) negotiates reinsurance on behalf of the insurer.
  - (b) Notwithstanding Subsection (6)(a), the following persons may not be considered as managing general agent for the purposes of this chapter:
    - (i) an employee of the insurer;
    - (ii) a United States manager of the United States branch of an alien insurer;
    - (iii) an underwriting manager that, pursuant to contract:
      - (A) manages all the insurance operations of the insurer;
      - (B) is under common control with the insurer;
      - (C) is subject to Chapter 16, Insurance Holding Companies; and
      - (D) is not compensated based on the volume of premiums written; and
    - (iv) the attorney-in-fact authorized by and acting for the subscribers of a reciprocal insurer or inter-insurance exchange under powers of attorney.
- (7) "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning a substantive benefit, term, or condition of the contract if the person engaged in that act:
- (a) sells insurance; or
  - (b) obtains insurance from insurers for purchasers.
- (8) "Reinsurance intermediary" means:
- (a) a reinsurance intermediary-broker; or
  - (b) a reinsurance intermediary-manager.
- (9) "Reinsurance intermediary-broker" means a person other than an officer or employee of the ceding insurer, firm, association, or corporation who solicits, negotiates, or places reinsurance

cessions or retrocessions on behalf of a ceding insurer without the authority or power to bind reinsurance on behalf of the insurer.

(10)

(a) "Reinsurance intermediary-manager" means a person who:

- (i) has authority to bind or who manages all or part of the assumed reinsurance business of a reinsurer, including the management of a separate division, department, or underwriting office; and
- (ii) acts as an agent for the reinsurer whether the person is known as a reinsurance intermediary-manager, manager, or other similar term.

(b) Notwithstanding Subsection (10)(a), the following persons may not be considered reinsurance intermediary-managers for the purpose of this chapter with respect to the reinsurer:

- (i) an employee of the reinsurer;
- (ii) a United States manager of the United States branch of an alien reinsurer;
- (iii) an underwriting manager that, pursuant to contract:
  - (A) manages all the reinsurance operations of the reinsurer;
  - (B) is under common control with the reinsurer;
  - (C) is subject to Chapter 16, Insurance Holding Companies; and
  - (D) is not compensated based on the volume of premiums written; and
- (iv) the manager of a group, association, pool, or organization of insurers that:
  - (A) engage in joint underwriting or joint reinsurance; and
  - (B) are subject to examination by the insurance commissioner of the state in which the manager's principal business office is located.

(11) "Resident" is as defined by rule made by the commissioner in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

(12) "Sell" means to exchange a contract of insurance:

- (a) by any means;
- (b) for money or its equivalent; and
- (c) on behalf of an insurance company.

(13) "Solicit" means:

- (a) attempting to sell insurance;
- (b) asking or urging a person to apply for:
  - (i) a particular kind of insurance; and
  - (ii) insurance from a particular insurance company;
- (c) advertising insurance, including advertising for the purpose of obtaining leads for the sale of insurance; or
- (d) holding oneself out as being in the insurance business.

(14) "Terminate" means:

- (a) the cancellation of the relationship between:
  - (i) an individual licensee or agency licensee and a particular insurer; or
  - (ii) an individual licensee and a particular agency licensee; or
- (b) the termination of:
  - (i) an individual licensee's or agency licensee's authority to transact insurance on behalf of a particular insurance company; or
  - (ii) an individual licensee's authority to transact insurance on behalf of a particular agency licensee.

(15) "Title examination" means a license subline of authority in conjunction with the title insurance line of authority that allows a person to issue title insurance commitments or policies on behalf of a title insurer.

- (16) "Title marketing representative" means a person who:
  - (a) represents a title insurer in soliciting, requesting, or negotiating the placing of:
    - (i) title insurance; or
    - (ii) escrow services; and
  - (b) does not have a title examination or escrow license as provided in Section 31A-23a-106.
- (17) "Uniform application" means the version of the National Association of Insurance Commissioners' uniform application for resident and nonresident producer licensing at the time the application is filed.
- (18) "Uniform business entity application" means the version of the National Association of Insurance Commissioners' uniform business entity application for resident and nonresident business entities at the time the application is filed.

Amended by Chapter 244, 2015 General Session

Amended by Chapter 330, 2015 General Session

### **31A-23a-103 Requirement of license.**

- (1)
  - (a) Unless exempted from the licensing requirement under Section 31A-23a-201 or 31A-23a-207, a person may not perform, offer to perform, or advertise any service as a producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary in Utah, without a valid individual or agency license issued under this chapter.
  - (b) A valid license includes at least one license type and one line of authority pertaining to that license type.
  - (c) A person may not utilize the services of another as a producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary if that person knows or should know that the other does not have a license as required by law.
- (2) This part may not be construed to require an insurer to obtain an insurance producer license.
- (3) An insurance contract is not invalid as a result of a violation of this section.

Amended by Chapter 253, 2012 General Session

### **31A-23a-104 Application for individual license -- Application for agency license.**

- (1) This section applies to an initial or renewal license as a:
  - (a) producer;
  - (b) surplus lines producer;
  - (c) limited line producer;
  - (d) consultant;
  - (e) managing general agent; or
  - (f) reinsurance intermediary.
- (2)
  - (a) Subject to Subsection (2)(b), to obtain or renew an individual license, an individual shall:
    - (i) file an application for an initial or renewal individual license with the commissioner on forms and in a manner the commissioner prescribes; and
    - (ii) except as provided in Subsection (6), pay a license fee that is not refunded if the application:
      - (A) is denied; or
      - (B) is incomplete when filed and is never completed by the applicant.
  - (b) An application described in this Subsection (2) shall provide:
    - (i) information about the applicant's identity;

- (ii) the applicant's Social Security number;
  - (iii) the applicant's personal history, experience, education, and business record;
  - (iv) whether the applicant is 18 years of age or older;
  - (v) whether the applicant has committed an act that is a ground for denial, suspension, or revocation as set forth in Section 31A-23a-105 or 31A-23a-111;
  - (vi) if the application is for a resident individual producer license, certification that the applicant complies with Section 31A-23a-203.5; and
  - (vii) any other information the commissioner reasonably requires.
- (3) The commissioner may require a document reasonably necessary to verify the information contained in an application filed under this section.
- (4) An applicant's Social Security number contained in an application filed under this section is a private record under Section 63G-2-302.
- (5)
- (a) Subject to Subsection (5)(b), to obtain or renew an agency license, a person shall:
    - (i) file an application for an initial or renewal agency license with the commissioner on forms and in a manner the commissioner prescribes; and
    - (ii) pay a license fee that is not refunded if the application:
      - (A) is denied; or
      - (B) is incomplete when filed and is never completed by the applicant.
  - (b) An application described in Subsection (5)(a) shall provide:
    - (i) information about the applicant's identity;
    - (ii) the applicant's federal employer identification number;
    - (iii) the designated responsible licensed individual;
    - (iv) the identity of the owners, partners, officers, and directors;
    - (v) whether the applicant has committed an act that is a ground for denial, suspension, or revocation as set forth in Section 31A-23a-105 or 31A-23a-111; and
    - (vi) any other information the commissioner reasonably requires.
- (6) The following individuals are exempt from paying a license fee:
- (a) an individual serving in the armed forces of the United States while the individual is stationed within this state, if:
    - (i) the individual holds a valid license to practice the regulated occupation or profession issued by any other state or jurisdiction recognized by the department; and
    - (ii) the license is current and the individual is in good standing in the state or jurisdiction of licensure; and
  - (b) the spouse of an individual serving in the armed forces of the United States while the individual is stationed within this state, if:
    - (i) the spouse holds a valid license to practice the regulated occupation or profession issued by any other state or jurisdiction recognized by the department; and
    - (ii) the license is current and the spouse is in good standing in the state or jurisdiction of licensure.

Amended by Chapter 462, 2018 General Session

**31A-23a-105 General requirements for individual and agency license issuance and renewal.**

- (1)
- (a) The commissioner shall issue or renew a license to a person described in Subsection (1)(b) to act as:
    - (i) a producer;

- (ii) a surplus lines producer;
  - (iii) a limited line producer;
  - (iv) a consultant;
  - (v) a managing general agent; or
  - (vi) a reinsurance intermediary.
- (b) The commissioner shall issue or renew a license under Subsection (1)(a) to a person who, as to the license type and line of authority classification applied for under Section 31A-23a-106:
- (i) satisfies the application requirements under Section 31A-23a-104;
  - (ii) satisfies the character requirements under Section 31A-23a-107;
  - (iii) satisfies applicable continuing education requirements under Section 31A-23a-202;
  - (iv) satisfies applicable examination requirements under Section 31A-23a-108;
  - (v) satisfies applicable training period requirements under Section 31A-23a-203;
  - (vi) if an applicant for a resident individual producer license, certifies that, to the extent applicable, the applicant:
    - (A) is in compliance with Section 31A-23a-203.5; and
    - (B) will maintain compliance with Section 31A-23a-203.5 during the period for which the license is issued or renewed;
  - (vii) has not committed an act that is a ground for denial, suspension, or revocation as provided in Section 31A-23a-111;
  - (viii) if a nonresident:
    - (A) complies with Section 31A-23a-109; and
    - (B) holds an active similar license in that person's home state;
  - (ix) if an applicant for an individual title insurance producer or agency title insurance producer license, satisfies the requirements of Section 31A-23a-204;
  - (x) if an applicant for a license to act as a life settlement provider or life settlement producer, satisfies the requirements of Section 31A-23a-117; and
  - (xi) pays the applicable fees under Section 31A-3-103.
- (2)
- (a) This Subsection (2) applies to the following persons:
- (i) an applicant for a pending:
    - (A) individual or agency producer license;
    - (B) surplus lines producer license;
    - (C) limited line producer license;
    - (D) consultant license;
    - (E) managing general agent license; or
    - (F) reinsurance intermediary license; or
  - (ii) a licensed:
    - (A) individual or agency producer;
    - (B) surplus lines producer;
    - (C) limited line producer;
    - (D) consultant;
    - (E) managing general agent; or
    - (F) reinsurance intermediary.
- (b) A person described in Subsection (2)(a) shall report to the commissioner:
- (i) an administrative action taken against the person, including a denial of a new or renewal license application:
    - (A) in another jurisdiction; or
    - (B) by another regulatory agency in this state; and

- (ii) a criminal prosecution taken against the person in any jurisdiction.
- (c) The report required by Subsection (2)(b) shall:
  - (i) be filed:
    - (A) at the time the person files the application for an individual or agency license; and
    - (B) for an action or prosecution that occurs on or after the day on which the person files the application:
      - (I) for an administrative action, within 30 days of the final disposition of the administrative action; or
      - (II) for a criminal prosecution, within 30 days of the initial appearance before a court; and
  - (ii) include a copy of the complaint or other relevant legal documents related to the action or prosecution described in Subsection (2)(b).
- (3)
  - (a) The department may require a person applying for a license or for consent to engage in the business of insurance to submit to a criminal background check as a condition of receiving a license or consent.
  - (b) A person, if required to submit to a criminal background check under Subsection (3)(a), shall:
    - (i) submit a fingerprint card in a form acceptable to the department; and
    - (ii) consent to a fingerprint background check by:
      - (A) the Utah Bureau of Criminal Identification; and
      - (B) the Federal Bureau of Investigation.
  - (c) For a person who submits a fingerprint card and consents to a fingerprint background check under Subsection (3)(b), the department may request:
    - (i) criminal background information maintained pursuant to Title 53, Chapter 10, Part 2, Bureau of Criminal Identification, from the Bureau of Criminal Identification; and
    - (ii) complete Federal Bureau of Investigation criminal background checks through the national criminal history system.
  - (d) Information obtained by the department from the review of criminal history records received under this Subsection (3) shall be used by the department for the purposes of:
    - (i) determining if a person satisfies the character requirements under Section 31A-23a-107 for issuance or renewal of a license;
    - (ii) determining if a person has failed to maintain the character requirements under Section 31A-23a-107; and
    - (iii) preventing a person who violates the federal Violent Crime Control and Law Enforcement Act of 1994, 18 U.S.C. Sec. 1033, from engaging in the business of insurance in the state.
  - (e) If the department requests the criminal background information, the department shall:
    - (i) pay to the Department of Public Safety the costs incurred by the Department of Public Safety in providing the department criminal background information under Subsection (3)(c)(i);
    - (ii) pay to the Federal Bureau of Investigation the costs incurred by the Federal Bureau of Investigation in providing the department criminal background information under Subsection (3)(c)(ii); and
    - (iii) charge the person applying for a license or for consent to engage in the business of insurance a fee equal to the aggregate of Subsections (3)(e)(i) and (ii).
- (4) To become a resident licensee in accordance with Section 31A-23a-104 and this section, a person licensed as one of the following in another state who moves to this state shall apply within 90 days of establishing legal residence in this state:
  - (a) insurance producer;
  - (b) surplus lines producer;
  - (c) limited line producer;

- (d) consultant;
  - (e) managing general agent; or
  - (f) reinsurance intermediary.
- (5)
- (a) The commissioner may deny a license application for a license listed in Subsection (5)(b) if the person applying for the license, as to the license type and line of authority classification applied for under Section 31A-23a-106:
    - (i) fails to satisfy the requirements as set forth in this section; or
    - (ii) commits an act that is grounds for denial, suspension, or revocation as set forth in Section 31A-23a-111.
  - (b) This Subsection (5) applies to the following licenses:
    - (i) producer;
    - (ii) surplus lines producer;
    - (iii) limited line producer;
    - (iv) consultant;
    - (v) managing general agent; or
    - (vi) reinsurance intermediary.
- (6) Notwithstanding the other provisions of this section, the commissioner may:
- (a) issue a license to an applicant for a license for a title insurance line of authority only with the concurrence of the Title and Escrow Commission; and
  - (b) renew a license for a title insurance line of authority only with the concurrence of the Title and Escrow Commission.

Amended by Chapter 290, 2014 General Session

Amended by Chapter 300, 2014 General Session

### **31A-23a-106 License types.**

- (1)
- (a) A resident or nonresident license issued under this chapter shall be issued under the license types described under Subsection (2).
  - (b) A license type and a line of authority pertaining to a license type describe the type of licensee and the lines of business that a licensee may sell, solicit, or negotiate. A license type is intended to describe the matters to be considered under any education, examination, and training required of a license applicant under Sections 31A-23a-108, 31A-23a-202, and 31A-23a-203.
- (2)
- (a) A producer license type includes the following lines of authority:
    - (i) life insurance, including a nonvariable contract;
    - (ii) variable contracts, including variable life and annuity, if the producer has the life insurance line of authority;
    - (iii) accident and health insurance, including a contract issued to a policyholder under Chapter 7, Nonprofit Health Service Insurance Corporations, or Chapter 8, Health Maintenance Organizations and Limited Health Plans;
    - (iv) property insurance;
    - (v) casualty insurance, including a surety or other bond;
    - (vi) title insurance under one or more of the following categories:
      - (A) title examination, including authority to act as a title marketing representative;
      - (B) escrow, including authority to act as a title marketing representative; and

- (C) title marketing representative only; and
- (vii) personal lines insurance.
- (b) A surplus lines producer license type includes the following lines of authority:
  - (i) property insurance, if the person holds an underlying producer license with the property line of insurance; and
  - (ii) casualty insurance, if the person holds an underlying producer license with the casualty line of authority.
- (c) A limited line producer license type includes the following limited lines of authority:
  - (i) limited line credit insurance;
  - (ii) travel insurance, as set forth in Part 9, Travel Insurance Act;
  - (iii) motor club insurance;
  - (iv) car rental related insurance;
  - (v) legal expense insurance;
  - (vi) crop insurance;
  - (vii) self-service storage insurance;
  - (viii) bail bond producer;
  - (ix) guaranteed asset protection waiver;
  - (x) portable electronics insurance; and
  - (xi) pet insurance.
- (d) A consultant license type includes the following lines of authority:
  - (i) life insurance, including a nonvariable contract;
  - (ii) variable contracts, including variable life and annuity, if the consultant has the life insurance line of authority;
  - (iii) accident and health insurance, including a contract issued to a policyholder under Chapter 7, Nonprofit Health Service Insurance Corporations, or Chapter 8, Health Maintenance Organizations and Limited Health Plans;
  - (iv) property insurance;
  - (v) casualty insurance, including a surety or other bond; and
  - (vi) personal lines insurance.
- (e) A managing general agent license type includes the following lines of authority:
  - (i) life insurance, including a nonvariable contract;
  - (ii) variable contracts, including variable life and annuity, if the managing general agent has the life insurance line of authority;
  - (iii) accident and health insurance, including a contract issued to a policyholder under Chapter 7, Nonprofit Health Service Insurance Corporations, or Chapter 8, Health Maintenance Organizations and Limited Health Plans;
  - (iv) property insurance;
  - (v) casualty insurance, including a surety or other bond; and
  - (vi) personal lines insurance.
- (f) A reinsurance intermediary license type includes the following lines of authority:
  - (i) life insurance, including a nonvariable contract;
  - (ii) variable contracts, including variable life and annuity, if the reinsurance intermediary has the life insurance line of authority;
  - (iii) accident and health insurance, including a contract issued to a policyholder under Chapter 7, Nonprofit Health Service Insurance Corporations, or Chapter 8, Health Maintenance Organizations and Limited Health Plans;
  - (iv) property insurance;
  - (v) casualty insurance, including a surety or other bond; and

- (vi) personal lines insurance.
  - (g) A person who holds a license under Subsection (2)(a) has the qualifications necessary to act as a holder of a license under Subsection (2)(c), except that the person may not act under Subsection (2)(c)(viii) or (ix).
- (3)
- (a) The commissioner may by rule recognize other producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary lines of authority as to kinds of insurance not listed under Subsections (2)(a) through (f).
  - (b) Notwithstanding Subsection (3)(a), for purposes of title insurance the Title and Escrow Commission may by rule, with the concurrence of the commissioner and subject to Section 31A-2-404, recognize other categories for an individual title insurance producer or agency title insurance producer line of authority not listed under Subsection (2)(a)(vi).
- (4) The variable contracts line of authority requires:
- (a) for a producer, licensure by the Financial Industry Regulatory Authority as a:
    - (i) registered broker-dealer; or
    - (ii) broker-dealer agent, with a current registration with a broker-dealer; and
  - (b) for a consultant, registration with the Securities and Exchange Commission or licensure by the Utah Division of Securities as an:
    - (i) investment adviser; or
    - (ii) investment adviser representative, with a current association with an investment adviser.
- (5) A surplus lines producer is a producer who has a surplus lines license.

Amended by Chapter 194, 2023 General Session

**31A-23a-107 Character requirements.**

An applicant for a license under this chapter shall show to the commissioner that:

- (1) the applicant has the intent in good faith, to engage in the type of business that the license applied for would permit;
- (2)
  - (a) if a natural person, the applicant is:
    - (i) competent; and
    - (ii) trustworthy; or
  - (b) if the applicant is an agency:
    - (i) the partners, directors, or principal officers or persons having comparable powers are trustworthy; and
    - (ii) that it will transact business in such a way that the acts that may only be performed by a licensed producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary are performed exclusively by natural persons who are licensed under this chapter to transact that type of business and designated on the agency's license;
- (3) the applicant intends to comply with Section 31A-23a-502; and
- (4) if a natural person, the applicant is at least 18 years of age.

Amended by Chapter 319, 2018 General Session

**31A-23a-108 Examination requirements.**

- (1)

- (a) The commissioner may require an applicant for a particular license type under Section 31A-23a-106 to pass a line of authority examination as a requirement for a license, except that an examination may not be required of an applicant for:
  - (i) a license under Subsection 31A-23a-106(2)(c); or
  - (ii) another limited line license line of authority recognized by the commissioner or the Title and Escrow Commission by rule as provided in Subsection 31A-23a-106(3).
- (b) The examination described in Subsection (1)(a):
  - (i) shall reasonably relate to the line of authority for which it is prescribed; and
  - (ii) may be administered by the commissioner or as otherwise specified by rule.
- (2) The commissioner shall waive the requirement of an examination for a nonresident applicant who:
  - (a) applies for an insurance producer license in this state within 90 days of establishing legal residence in this state;
  - (b) has been licensed for the same line of authority in another state; and
  - (c)
    - (i) is licensed in the state described in Subsection (2)(b) at the time the applicant applies for an insurance producer license in this state; or
    - (ii) if the application is received within 90 days of the cancellation of the applicant's previous license:
      - (A) the prior state certifies that at the time of cancellation, the applicant was in good standing in that state; or
      - (B) the state's producer database records maintained by the National Association of Insurance Commissioners or the National Association of Insurance Commissioner's affiliates or subsidiaries, indicates that the producer is or was licensed in good standing for the line of authority requested.
- (3) This section's requirement may only be applied to an applicant who is a natural person.

Amended by Chapter 290, 2014 General Session

Amended by Chapter 300, 2014 General Session

**31A-23a-109 Nonresident jurisdictional agreement.**

- (1)
  - (a) If a nonresident license applicant has a valid producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary license from the nonresident license applicant's home state or designated home state and the conditions of Subsection (1)(b) are met, the commissioner shall:
    - (i) waive the license requirements for a license under this chapter; and
    - (ii) issue the nonresident license applicant a nonresident license.
  - (b) Subsection (1)(a) applies if:
    - (i) the nonresident license applicant:
      - (A) is licensed in the nonresident license applicant's home state or designated home state at the time the nonresident license applicant applies for a nonresident producer, surplus lines producer, limited line producer, consultant, managing general agent, or reinsurance intermediary license;
      - (B) has submitted the proper request for licensure;
      - (C) has submitted to the commissioner:
        - (l) the application for licensure that the nonresident license applicant submitted to the applicant's home state or designated home state; or

- (II) a completed uniform application; and
  - (D) has paid the applicable fees under Section 31A-3-103; and
  - (ii) the nonresident license applicant's license in the applicant's home state or designated home state is in good standing.
- (2) A nonresident applicant applying under Subsection (1) shall in addition to complying with all license requirements for a license under this chapter execute, in a form acceptable to the commissioner, an agreement to be subject to the jurisdiction of the Utah commissioner and courts on any matter related to the applicant's insurance activities in this state, on the basis of:
- (a) service of process under Sections 31A-2-309 and 31A-2-310; or
  - (b) service authorized:
    - (i) in the Utah Rules of Civil Procedure; or
    - (ii) under Section 78B-3-206.
- (3) The commissioner may verify a producer's licensing status through the producer database maintained by:
- (a) the National Association of Insurance Commissioners; or
  - (b) an affiliate or subsidiary of the National Association of Insurance Commissioners.
- (4) The commissioner may not assess a greater fee for an insurance license or related service to a person not residing in this state solely on the fact that the person does not reside in this state.

Amended by Chapter 319, 2018 General Session

**31A-23a-110 Form and contents of license.**

- (1) A license issued under this chapter shall be in the form the commissioner prescribes and shall set forth:
- (a) the name and address of the licensee;
  - (b) the license types and lines of authority under Section 31A-23a-106;
  - (c) the date of license issuance; and
  - (d) any other information the commissioner considers necessary.
- (2) A licensee under this chapter doing business under another name than the licensee's legal name shall notify the commissioner before using the assumed name in this state.

Amended by Chapter 345, 2008 General Session

**31A-23a-111 Revoking, suspending, surrendering, lapsing, limiting, or otherwise terminating a license -- Forfeiture -- Rulemaking for renewal or reinstatement.**

- (1) A license type issued under this chapter remains in force until:
- (a) revoked or suspended under Subsection (5);
  - (b) surrendered to the commissioner and accepted by the commissioner in lieu of administrative action;
  - (c) the licensee dies or is adjudicated incompetent as defined under:
    - (i) Title 75, Chapter 5, Part 3, Guardians of Incapacitated Persons; or
    - (ii) Title 75, Chapter 5, Part 4, Protection of Property of Persons Under Disability and Minors;
  - (d) lapsed under Section 31A-23a-113; or
  - (e) voluntarily surrendered.
- (2) The following may be reinstated within one year after the day on which the license is no longer in force:
- (a) a lapsed license; or

- (b) a voluntarily surrendered license, except that a voluntarily surrendered license may not be reinstated after the license period in which the license is voluntarily surrendered.
- (3) Unless otherwise stated in a written agreement for the voluntary surrender of a license, submission and acceptance of a voluntary surrender of a license does not prevent the department from pursuing additional disciplinary or other action authorized under:
  - (a) this title; or
  - (b) rules made under this title in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (4) A line of authority issued under this chapter remains in force until:
  - (a) the qualifications pertaining to a line of authority are no longer met by the licensee;
  - (b) the supporting license type:
    - (i) is revoked or suspended under Subsection (5);
    - (ii) is surrendered to the commissioner and accepted by the commissioner in lieu of administrative action;
    - (iii) lapses under Section 31A-23a-113; or
    - (iv) is voluntarily surrendered; or
  - (c) the licensee dies or is adjudicated incompetent as defined under:
    - (i) Title 75, Chapter 5, Part 3, Guardians of Incapacitated Persons; or
    - (ii) Title 75, Chapter 5, Part 4, Protection of Property of Persons Under Disability and Minors.
- (5)
  - (a) If the commissioner makes a finding under Subsection (5)(b), as part of an adjudicative proceeding under Title 63G, Chapter 4, Administrative Procedures Act, the commissioner may:
    - (i) revoke:
      - (A) a license; or
      - (B) a line of authority;
    - (ii) suspend for a specified period of 12 months or less:
      - (A) a license; or
      - (B) a line of authority;
    - (iii) limit in whole or in part:
      - (A) a license; or
      - (B) a line of authority;
    - (iv) deny a license application;
    - (v) assess a forfeiture under Subsection 31A-2-308(1)(b)(i) or (1)(c)(i); or
    - (vi) take a combination of actions under Subsections (5)(a)(i) through (iv) and Subsection (5)(a)(v).
  - (b) The commissioner may take an action described in Subsection (5)(a) if the commissioner finds that the licensee or license applicant:
    - (i) is unqualified for a license or line of authority under Section 31A-23a-104, 31A-23a-105, or 31A-23a-107;
    - (ii) violates:
      - (A) an insurance statute;
      - (B) a rule that is valid under Subsection 31A-2-201(3); or
      - (C) an order that is valid under Subsection 31A-2-201(4);
    - (iii) is insolvent or the subject of receivership, conservatorship, rehabilitation, or other delinquency proceedings in any state;
    - (iv) fails to pay a final judgment rendered against the person within 60 days after the day on which the judgment became final;

- (v) fails to meet the same good faith obligations in claims settlement that is required of admitted insurers;
- (vi) is affiliated with and under the same general management or interlocking directorate or ownership as another insurance producer that transacts business in this state without a license;
- (vii) refuses:
  - (A) to be examined; or
  - (B) to produce its accounts, records, and files for examination;
- (viii) has an officer who refuses to:
  - (A) give information with respect to the insurance producer's affairs; or
  - (B) perform any other legal obligation as to an examination;
- (ix) provides information in the license application that is:
  - (A) incorrect;
  - (B) misleading;
  - (C) incomplete; or
  - (D) materially untrue;
- (x) violates an insurance law, valid rule, or valid order of another regulatory agency in any jurisdiction;
- (xi) obtains or attempts to obtain a license through misrepresentation or fraud;
- (xii) improperly withholds, misappropriates, or converts money or properties received in the course of doing insurance business;
- (xiii) intentionally misrepresents the terms of an actual or proposed:
  - (A) insurance contract;
  - (B) application for insurance; or
  - (C) life settlement;
- (xiv) has been convicted of, or has entered a plea in abeyance as defined in Section 77-2a-1 to:
  - (A) a felony; or
  - (B) a misdemeanor involving fraud, misrepresentation, theft, or dishonesty;
- (xv) admits or is found to have committed an insurance unfair trade practice or fraud;
- (xvi) in the conduct of business in this state or elsewhere:
  - (A) uses fraudulent, coercive, or dishonest practices; or
  - (B) demonstrates incompetence, untrustworthiness, or financial irresponsibility;
- (xvii) has had an insurance license or other professional or occupational license, or an equivalent to an insurance license or registration, or other professional or occupational license or registration:
  - (A) denied;
  - (B) suspended;
  - (C) revoked; or
  - (D) surrendered to resolve an administrative action;
- (xviii) forges another's name to:
  - (A) an application for insurance; or
  - (B) a document related to an insurance transaction;
- (xix) improperly uses notes or another reference material to complete an examination for an insurance license;
- (xx) knowingly accepts insurance business from an individual who is not licensed;
- (xxi) fails to comply with an administrative or court order imposing a child support obligation;
- (xxii) fails to:
  - (A) pay state income tax; or

- (B) comply with an administrative or court order directing payment of state income tax;
  - (xxiii) has been convicted of violating the federal Violent Crime Control and Law Enforcement Act of 1994, 18 U.S.C. Sec. 1033 and has not obtained written consent to engage in the business of insurance or participate in such business as required by 18 U.S.C. Sec. 1033;
  - (xxiv) engages in a method or practice in the conduct of business that endangers the legitimate interests of customers and the public; or
  - (xxv) has been convicted of any criminal felony involving dishonesty or breach of trust and has not obtained written consent to engage in the business of insurance or participate in such business as required by 18 U.S.C. Sec. 1033.
- (c) For purposes of this section, if a license is held by an agency, both the agency itself and any individual designated under the license are considered to be the holders of the license.
- (d) If an individual designated under the agency license commits an act or fails to perform a duty that is a ground for suspending, revoking, or limiting the individual's license, the commissioner may suspend, revoke, or limit the license of:
- (i) the individual;
  - (ii) the agency, if the agency:
    - (A) is reckless or negligent in its supervision of the individual; or
    - (B) knowingly participates in the act or failure to act that is the ground for suspending, revoking, or limiting the license; or
  - (iii)
    - (A) the individual; and
    - (B) the agency if the agency meets the requirements of Subsection (5)(d)(ii).
- (6) A licensee under this chapter is subject to the penalties for acting as a licensee without a license if:
- (a) the licensee's license is:
    - (i) revoked;
    - (ii) suspended;
    - (iii) limited;
    - (iv) surrendered in lieu of administrative action;
    - (v) lapsed; or
    - (vi) voluntarily surrendered; and
  - (b) the licensee:
    - (i) continues to act as a licensee; or
    - (ii) violates the terms of the license limitation.
- (7) A licensee under this chapter shall immediately report to the commissioner:
- (a) a revocation, suspension, or limitation of the person's license in another state, the District of Columbia, or a territory of the United States;
  - (b) the imposition of a disciplinary sanction imposed on that person by another state, the District of Columbia, or a territory of the United States; or
  - (c) a judgment or injunction entered against that person on the basis of conduct involving:
    - (i) fraud;
    - (ii) deceit;
    - (iii) misrepresentation; or
    - (iv) a violation of an insurance law or rule.
- (8)
- (a) An order revoking a license under Subsection (5) or an agreement to surrender a license in lieu of administrative action may specify a time, not to exceed five years, within which the former licensee may not apply for a new license.

- (b) If no time is specified in an order or agreement described in Subsection (8)(a), the former licensee may not apply for a new license for five years from the day on which the order or agreement is made without the express approval by the commissioner.
- (9) The commissioner shall promptly withhold, suspend, restrict, or reinstate the use of a license issued under this part if so ordered by a court.
- (10) The commissioner shall by rule prescribe the license renewal and reinstatement procedures in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

Amended by Chapter 194, 2023 General Session

**31A-23a-112 Probation -- Grounds for revocation.**

- (1) The commissioner may place a licensee on probation for a period not to exceed 24 months as follows:
  - (a) after an adjudicative proceeding under Title 63G, Chapter 4, Administrative Procedures Act, for circumstances that would justify a suspension under Section 31A-23a-111; or
  - (b) at the issuance or renewal of a license:
    - (i) with an admitted violation under 18 U.S.C. Sec. 1033; or
    - (ii) with a response to background information questions on a new or renewal license application or information received from a background check conducted in connection with a new or renewal license application that indicates:
      - (A) the person has been convicted of a crime, that is listed by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, as a crime that is grounds for probation;
      - (B) the person is currently charged with a crime, that is listed by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, as a crime that is grounds for probation regardless of whether adjudication is withheld;
      - (C) the person has been involved in an administrative proceeding regarding a professional or occupational license; or
      - (D) a business in which the person is or was an owner, partner, officer, or director has been involved in an administrative proceeding regarding a professional or occupational license.
- (2) The commissioner may place a licensee on probation for a specified period no longer than 24 months if the licensee has admitted to a violation under 18 U.S.C. Sec. 1033.
- (3) The probation order shall state the conditions for retention of the license, which shall be reasonable.
- (4) A violation of the probation is grounds for revocation pursuant to a proceeding authorized under Title 63G, Chapter 4, Administrative Procedures Act.

Amended by Chapter 290, 2014 General Session

Amended by Chapter 300, 2014 General Session

**31A-23a-113 License lapse and voluntary surrender.**

- (1)
  - (a) A license issued under this chapter, including a line of authority, shall lapse if the licensee fails to:
    - (i) pay when due a fee under Section 31A-3-103;
    - (ii) complete continuing education requirements under Section 31A-23a-202 before submitting the license renewal application;
    - (iii) submit a completed renewal application as required by Section 31A-23a-104;

- (iv) submit additional documentation required to complete the licensing process as related to a specific license type or line of authority; or
- (v) maintain an active license in a licensee's home state if the licensee is a nonresident licensee.
- (b) A license that lapses shall expire effective at midnight on the day on which the license expires.
- (c)
  - (i) A licensee whose license lapses may request reinstatement of the license and line of authority no more than one year after the day on which the license lapses.
  - (ii) A licensee whose license lapses due to the following may request an action described in Subsection (1)(c)(iii):
    - (A) military service;
    - (B) voluntary service for a period of time designated by the person for whom the licensee provides voluntary service; or
    - (C) some other extenuating circumstances, including long-term medical disability.
  - (iii) A licensee described in Subsection (1)(c)(ii) may request:
    - (A) reinstatement of the license and line of authority no later than one year after the day on which the license lapses; and
    - (B) waiver of any of the following imposed for failure to comply with renewal procedures:
      - (I) an examination requirement;
      - (II) reinstatement fees set under Section 31A-3-103;
      - (III) continuing education requirements; or
      - (IV) other sanction imposed for failure to comply with renewal procedures.
- (2) If a license or line of authority issued under this chapter is voluntarily surrendered, the license or line of authority may be reinstated:
  - (a) during the license period in which the license or line of authority is voluntarily surrendered; and
  - (b) no later than one year after the day on which the license or line of authority is voluntarily surrendered.

Amended by Chapter 252, 2021 General Session

**31A-23a-114 Temporary individual or agency license -- Trustee for terminated licensee's business.**

- (1)
  - (a) The commissioner may issue a temporary individual or agency license:
    - (i) to a person listed in Subsection (1)(b):
      - (A) if the commissioner considers that the temporary license is necessary:
        - (I) for the servicing of an insurance business in the public interest; and
        - (II) to provide continued service to the insureds who procured insurance in a circumstance described in Subsection (1)(b);
      - (B) for a period not to exceed 180 days; and
      - (C) without requiring an examination; or
    - (ii) in any other circumstance:
      - (A) if the commissioner considers the public interest will best be served by issuing the temporary license;
      - (B) for a period not to exceed 180 days; and
      - (C) without requiring an examination.

- (b) The commissioner may issue a temporary individual or agency license in accordance with Subsection (1)(a) to:
  - (i) the surviving spouse or court-appointed personal representative of a licensee who dies or acquires a mental or physical disability to allow adequate time for:
    - (A) the sale of the insurance business owned by the licensee;
    - (B) recovery or return of the licensee to the business; or
    - (C) the training and licensing of new personnel to operate the licensee's business;
  - (ii) to a member or employee of a business entity licensed as an agency upon the death or disability of an individual designated in:
    - (A) the business entity application; or
    - (B) the license; or
  - (iii) the designee of a licensed agency entering active service in the armed forces of the United States of America.
- (2) If a person's license is terminated under Section 31A-23a-111 or 31A-23a-113, the commissioner may appoint a trustee to provide in the public interest continuing service to the insureds who procured insurance through the person whose license is terminated:
  - (a) at the request of the person whose license is terminated; or
  - (b) upon the commissioner's own initiative.
- (3) This section does not apply if the deceased licensee or licensee with a disability does not or did not own any ownership interest in the accounts and associated expiration lists that were previously serviced by the licensee.
- (4)
  - (a) A person issued a temporary license under Subsection (1) receives the license and shall perform the duties under the license subject to the commissioner's authority to:
    - (i) require a temporary licensee to have a suitable sponsor who:
      - (A) is a licensee; and
      - (B) assumes responsibility for all acts of the temporary licensee; or
    - (ii) impose other requirements that are:
      - (A) designed to protect the insureds and the public; and
      - (B) similar to the condition described in Subsection (4)(a)(i).
  - (b) A trustee appointed under Subsection (2) shall be appointed and perform the trustee's duties subject to the terms and conditions described in Subsections (4)(b)(i) through (vi).
    - (i)
      - (A) A trustee appointed under Subsection (2) shall be licensed under this chapter to perform the services required by the trustor's clients.
      - (B) When possible, the commissioner shall appoint a trustee who is no longer actively engaged on the trustee's own behalf in business as a licensee.
      - (C) The commissioner shall only select a person to act as trustee who is trustworthy and competent to perform the necessary services.
    - (ii)
      - (A) If the deceased person, person with a disability, or unlicensed person for whom the trustee is acting was a producer, the insurers through which the former producer's business was written shall cooperate with the trustee in allowing the trustee to service the policies written through the insurer.
      - (B) The trustee shall abide by the terms of the agency agreement between the former producer and the issuing insurer, except that terms in those agreements terminating the agreement upon the death, disability, or license termination of the former producer do not bar the trustee from continuing to act under the agreement.

- (iii)
  - (A) The commissioner shall set the trustee's compensation, which:
    - (I) may be stated in terms of a percentage of commissions; and
    - (II) shall be equitable.
  - (B) The compensation shall be paid exclusively from:
    - (I) the commissions generated by the former licensee's insurance accounts serviced by the trustee; and
    - (II) other funds the former licensee or the licensee's successor in interest agree to pay.
  - (C) The trustee has no special priority to commissions over the former licensee's creditors.
- (iv)
  - (A) The commissioner or the state may not be held liable for errors or omissions of:
    - (I) the former licensee; or
    - (II) the trustee.
  - (B) The trustee may not be held liable for errors and omissions that were caused in any material way by the negligence of the former licensee.
  - (C) The trustee may be held liable for errors and omissions which arise solely from the trustee's negligence.
  - (D) The trustee's compensation level shall be sufficient to allow the trustee to purchase errors and omissions coverage, if that coverage is not provided the trustee by:
    - (I) the former licensee; or
    - (II) the licensee's successor in interest.
- (v)
  - (A) It is a breach of the trustee's fiduciary duty to capture the accounts of trustor's clients, either directly or indirectly.
  - (B) The trustee may not purchase the accounts or expiration lists of the former licensee, unless the commissioner expressly ratifies the terms of the sale.
  - (C) The commissioner may adopt rules that:
    - (I) further define the trustee's fiduciary duties; and
    - (II) explain how the trustee is to carry out the trustee's responsibilities.
- (vi)
  - (A) The trust may be terminated by:
    - (I) the commissioner; or
    - (II) the person that requested the trust be established.
  - (B) The trust is terminated by written notice being delivered to:
    - (I) the trustee; and
    - (II) the commissioner.
- (5)
  - (a) The commissioner may by order:
    - (i) limit the authority of any temporary licensee or trustee in any way the commissioner considers necessary to protect insureds and the public; and
    - (ii) revoke a temporary license or trustee's appointment if the commissioner finds that the insureds or the public are endangered.
  - (b) A temporary license or trustee's appointment may not continue after the owner or personal representative disposes of the business.

Amended by Chapter 366, 2011 General Session

**31A-23a-115 Appointment of individual and agency insurance producer, limited line producer, or managing general agent -- Reports and lists.**

- (1)
  - (a) An insurer shall appoint an individual or agency with whom it has a contract as an insurance producer, limited line producer, or managing general agent to act on the insurer's behalf in order for the licensee to do business for the insurer in this state.
  - (b) An insurer shall report to the commissioner, at intervals and in the form the commissioner establishes by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
    - (i) a new appointment; and
    - (ii) a termination of appointment.
- (2) An insurer shall notify a producer that the producer's appointment is terminated by the insurer and of the reason for termination at an interval and in the form the commissioner establishes by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (3)
  - (a)
    - (i) An insurer shall report to the commissioner the cause of termination of an appointment if:
      - (A) the reason for termination is a reason described in Subsection 31A-23a-111(5)(b); or
      - (B) the insurer has knowledge that the individual or agency licensee is found to have engaged in an activity described in Subsection 31A-23a-111(5)(b) by:
        - (I) a court;
        - (II) a government body; or
        - (III) a self-regulatory organization, which the commissioner may define by rule made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
    - (ii) The information provided to the commissioner under this Subsection (3) is a private record under Title 63G, Chapter 2, Government Records Access and Management Act.
  - (b) An insurer is immune from civil action, civil penalty, or damages if the insurer complies in good faith with this Subsection (3) in reporting to the commissioner the cause of termination of an appointment.
  - (c) Notwithstanding any other provision in this section, an insurer is not immune from any action or resulting penalty imposed on the reporting insurer as a result of proceedings brought by or on behalf of the department if the action is based on evidence other than the report submitted in compliance with this Subsection (3).
- (4) If an insurer appoints an agency, the insurer need not appoint, report, or pay appointment reporting fees for an individual designated on the agency's license under Section 31A-23a-302.
- (5) If an insurer has a contract with or lists a licensee in a report submitted under Subsection (3), there is a rebuttable presumption that in placing a risk with the insurer the contracted or appointed licensee or any of the licensee's licensed employees act on behalf of the insurer.

Amended by Chapter 168, 2017 General Session

**31A-23a-115.5 Use of customer service representative.**

A producer, surplus lines producer, or consultant who employs a customer service representative is responsible for the duties performed by the customer service representative. A customer service representative:

- (1) may not maintain an office independent of the customer service representative's licensed producer, surplus lines producer, or consultant employer for the purpose of conducting insurance activities;

- (2) except as provided in Subsection (3), may not sell, solicit, negotiate, or bind coverage; and
- (3) may provide a customer a quote on behalf of the customer service representative's licensed producer, surplus lines producer, or consultant employer.

Amended by Chapter 253, 2012 General Session

**31A-23a-116 Services performed for unauthorized insurers.**

- (1) A person licensed under Chapter 23a, Insurance Marketing - Licensing Producers, Consultants, and Reinsurance Intermediaries, may not perform an act that assists a person not authorized as an insurer to act as an insurer.
- (2) It is a violation of this section to assist a person purporting to be exempt from state insurance regulation under Section 514 of the Employee Retirement Income Security Act of 1974, unless that person submits to the commissioner a certificate from the United States Department of Labor, or other evidence satisfactory to the commissioner, showing that the laws of Utah are preempted under Section 514 of the Employee Retirement Income Security Act of 1974 or other federal law.
- (3) It is not a violation of this section:
  - (a) to assist a person engaged in self insurance as defined under Section 31A-1-301; or
  - (b) for a surplus lines producer to engage in the placement of insurance under Section 31A-15-103.

Amended by Chapter 345, 2008 General Session

**31A-23a-117 Special requirements for life settlement providers and producers.**

- (1) A life settlement provider or life settlement producer shall be licensed in accordance with this title, with the additional requirements listed in this section.
- (2) A life settlement provider shall provide to the commissioner:
  - (a) a detailed plan of operation with the life settlement provider's:
    - (i) initial license application; and
    - (ii) renewal application;
  - (b) a copy of the life settlement provider's most current audited financial statement;
  - (c) an antifraud plan that meets the requirements of Section 31A-36-117; and
  - (d) a bond or other form of assurance of financial responsibility as provided under rules made in accordance with Section 31A-36-119.
- (3) A life settlement provider shall provide with the life settlement provider's initial license application information describing the life settlement provider's life settlement experience, training, and education.
- (4) A life settlement provider shall provide to the commissioner, within 30 days after a change occurs, new or revised information concerning any of the following:
  - (a) officers;
  - (b) holders of more than 10% of its stock;
  - (c) partners;
  - (d) directors;
  - (e) members; and
  - (f) designated employees.

Amended by Chapter 355, 2009 General Session

**31A-23a-118 Car rental related licensing requirements.**

- (1) Subject to Section 31A-23a-103, a person is required to hold a limited line producer license with a car rental related insurance limited line of authority to sell or offer car rental related insurance coverage under a car rental related insurance policy.
- (2) A car rental related insurance limited line license issued pursuant to Sections 31A-23a-103 and 31A-23a-106 authorizes an employee or authorized representative of the licensee to sell or offer coverage under a car rental related insurance policy to a customer at each location at which the licensee engages in car rental related insurance transactions.
- (3) An agency holding a car rental related insurance limited line license shall:
  - (a) be appointed by an insurer underwriting a car rental related insurance policy that the agency sells or offers; and
  - (b) have a designated responsible licensed individual at each location at which the agency is soliciting, selling, or offering car rental related insurance.
- (4) An agency holding a car rental related insurance limited line license may employ a nonlicensed individual employed as a counter sales representative in soliciting, selling, or offering car rental related insurance. The nonlicensed individual shall be:
  - (a) trained and supervised in the sale of car rental related insurance products; and
  - (b) responsible to a licensed individual designated by the agency at each location where a car rental related insurance product is sold.

Enacted by Chapter 319, 2013 General Session