

31A-4-103 Certificate of authority.

- (1) Each certificate of authority issued by the commissioner shall specify:
 - (a) the name of the insurer;
 - (b) the kinds of insurance the insurer is authorized to transact in Utah; and
 - (c) any other information the commissioner requires.
- (2) A certificate of authority issued under this chapter remains in force until:
 - (a) the certificate is not renewed; or
 - (b) under Subsection (3), the certificate of authority is:
 - (i) revoked; or
 - (ii) suspended.
- (3)
 - (a) After an adjudicative proceeding under Title 63G, Chapter 4, Administrative Procedures Act, if the commissioner makes a finding described in Subsection (3)(b), the commissioner may:
 - (i) revoke a certificate of authority;
 - (ii) suspend a certificate of authority for a period not to exceed 12 months; or
 - (iii) limit a certificate of authority.
 - (b) The commissioner may take any action described in Subsection (3)(a) if the commissioner finds the insurer has:
 - (i) failed to pay when due any fee due under Section 31A-3-103;
 - (ii) violated or failed to comply with:
 - (A) this title;
 - (B) a rule made under Subsection 31A-2-201(3); or
 - (C) an order issued under Subsection 31A-2-201(4); or
 - (iii) engaged in methods and practices in the conduct of business that endanger the legitimate interests of customers and the public.
 - (c) An order suspending a certificate of authority shall specify:
 - (i) the conditions and terms imposed on the insurer during the suspension; and
 - (ii) the conditions and procedures for reinstatement from suspension.
 - (d) The commissioner may place limitations on a certificate of authority at the time the certificate of authority is issued based on information contained in the application for the certificate of authority.
 - (e) An order limiting a certificate of authority that is issued under Subsection (3)(a) or (3)(d) shall specify:
 - (i) the period of the limitation;
 - (ii) the conditions of the limitation; and
 - (iii) the procedures for removing the limitation.
- (4) Subject to the requirements of this section and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commissioner may by rule prescribe procedures to renew or reinstate a certificate of authority.
- (5) An insurer under this chapter whose certificate of authority is suspended or revoked, but that continues to act as an authorized insurer, is subject to the penalties for acting as an insurer without a certificate of authority.
- (6) Any insurer holding a certificate of authority in this state shall immediately report to the commissioner a suspension or revocation of that insurer's certificate of authority in any:
 - (a) state;
 - (b) the District of Columbia; or
 - (c) a territory of the United States.
- (7)

- (a) An order revoking a certificate of authority under Subsection (3) may specify a time within which the former authorized insurer may not apply for a new certificate of authority, except that the time may not exceed five years from the date on which the certificate of authority is revoked.
 - (b) If no time is specified in an order revoking a certificate of authority under Subsection (3), the former authorized insurer may not apply for a new certificate of authority for five years from the date on which the certificate of authority is revoked without express approval by the commissioner.
- (8)
- (a) Subject to Subsection (8)(b), the insurer shall pay all fees under Section 31A-3-103 that would have been payable if the certificate of authority had not been suspended or revoked, unless the commissioner, in accordance with rule, waives the payment of the fees by no later than the day on which:
 - (i) a suspension under Subsection (3) of an insurer's certificate of authority ends; or
 - (ii) a new certificate of authority is issued to an insurer whose certificate of authority is revoked under Subsection (3).
 - (b) If a new certificate of authority is issued more than three years after the day on which a similar certificate of authority was revoked, this Subsection (8) applies only to the fees that would have accrued during the three years immediately following the revocation.

Amended by Chapter 382, 2008 General Session