{As Amended by House Committee of the Whole}

As Amended by House Committee

As Amended by Senate Committee

Session of 2017

SENATE BILL No. 14

By Committee on Financial Institutions and Insurance

1-11

AN ACT concerning insurance; relating to limited lines; pertaining to self-1 2 storage units{; amending K.S.A. 2016 Supp. 40-4903 and repealing 3 the existing section}. 4 5 Be it enacted by the Legislature of the State of Kansas: 6 {New} Section 1. (a) As used in this section: (1) <u>"Commissioner" means the commissioner of insurance of the state</u> 7 8 of Kansas. 9 (2) "Limited licensee" means a person authorized to sell certain-10 coverages relating to the rental of self-service storage units pursuant to the provisions of this section {"Licensee" means a person authorized to sell 11 limited line insurance relating to the rental of self-service storage units 12 pursuant to K.S.A. 2016 Supp. 40-4903, and amendments thereto}. 13 "Rental agreement" means any written agreement setting 14 $(3){(2)}$ forth the terms and conditions governing the use of a storage unit provided 15 by the owner of a self-service storage facility company. 16 "Renter" or "occupant" means any person obtaining the use 17 (4){(3)} of a storage unit from a self-service storage company under the terms of a 18 19 rental agreement. 20 "Self-service storage company" means any person in the $(5){(4)}$ 21 business of renting storage units to the public. "Storage unit" means a semi-enclosed or fully enclosed area, 22 (6){(5)} 23 room or space that is primarily intended for the storage of personal 24 property and which shall be accessible by the renter of the unit pursuant to 25 the terms of the rental agreement. 26 (b) (1) The commissioner may issue to a self-service storage 27 company or to a franchisee of a self-service storage company that hascomplied with the requirements of this section a limited license 28 authorizing the licensee, known as a limited licensee for the purposes of 29 30 this section, to act as an agent, with reference to the kinds of insurance specified in this section, of any insurer authorized to write such kinds of 31 insurance in this state. 32

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| 1 | (2) A license issued pursuant to this section shall be subject to the |
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| 2 | same license and fee requirements as limited line producers. |
| 3 | (c) The issuance of a license pursuant to this section shall be subject |
| 4 | to the following requirements: |
| 5 | (1) A written application, on a form prescribed by the commissioner, |
| 6 | signed by an officer of the applicant; |
| 7 | (2) the submission of any additional information or documentation |
| 8 | that the commissioner requires; |
| 9 | (3) the payment of any applicable fees; and |
| 10 | (4) a certificate by the insurer that is to be named in such limited |
| 11 | license, stating that it has satisfied itself that the named applicant is- |
| 12 | trustworthy and competent to act as its insurance agent for this limited- |
| 13 | purpose and that the insurer will appoint such applicant to act as the agent |
| 14 | in reference to the doing of such kind or kinds of insurance as are- |
| 15 | permitted by this section, if the limited license applied for is issued by the |
| 16 | commissioner. The certificate shall be subscribed by an officer or |
| 17 | managing agent of such insurer and affirmed as true under the penalties of |
| 18 | <u>perjury.</u> |
| 19 | (d) In the event that any provision of this section is violated by a |
| 20 | limited licensee, the commissioner may: |
| 21 | (1) Revoke or suspend a limited license issued pursuant to this |
| 22 | section in accordance with the provisions of K.S.A. 40-4909, and |
| 23 | amendments thereto; or |
| 24 | (2) after notice and hearing, impose such other penalties, including, |
| 25 | but not limited to, suspending the transaction of insurance at specific |
| 26 | rental locations where violations of this section have occurred, as the |
| 27 | commissioner deems to be necessary or convenient to carry out the |
| 28 | purposes of this section. |
| 29 | (c) The self-service storage company or franchisee licensed pursuant |
| 30 | to subsection (b) may act as agent for an authorized insurer only in |
| 31 | connection with the rental of storage units and only with respect to the |
| 32 | <u>following kinds of insurance:</u> |
| 33 | (1) Personal effects insurance that provides coverage to renters of |
| 34 | storage units at the same facility for the loss of, or damage to, personal |
| 35 36 | effects that occurs at the same facility during the rental period; and |
| | (2) any other coverage that the commissioner may approve as |
| 37 38 | meaningful and appropriate in connection with the rental of storage units. |
| 38 39 | (f) No insurance may be issued pursuant to this section unless all of the following emply: |
| 39 40 | the following apply: (1) The rental period of the rental agreement does not exceed two- |
| 40 41 | (1) The femal period of the femal agreement does not exceed two- |
| 41 | (2) at every self-service storage location where self-service storage |
| -T | 121 at every sent-service storage rocation where sent-service storage |

43 agreements are executed, brochures or other written materials are readily

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| 1 | available to the prospective renter that: |
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| 2 | (A) Summarize, clearly and correctly, the material terms of insurance |
| 3 | coverage, including the identity of the insurer, offered to renters; |
| 4 | (B) disclose that these policies offered by the self-service storage |
| 5 | company may provide duplication of coverage already provided by a |
| 6 | renter's or homeowners' insurance policy or other source of coverage; |
| 7 | (C) state that the purchase by the renter of the kinds of insurance |
| 8 | specified in this section is not required in order to rent a storage unit; |
| 9 | (D) describe the process for filing a claim in the event the renter- |
| 10 | elects to purchase coverage and in the event of a claim; and |
| 11 | (E) contain any additional information on the price, benefits, |
| 12 | exclusions, conditions or other limitations of such policies as the |
| 13 | commissioner may, by rules and regulations, preseribe; and |
| 14 | (3) at every self-service storage location where self-service storage : |
| 15 | agreements are executed, a sign, approved by the Kansas insurance- |
| 16 | department commissioner, is posted that contains the following, or |
| 17 | substantially the same information: |
| 18 | <u>"Section 1 State law requires the operator of this facility to inform:</u> |
| 19 | you that insurance sold by this self-storage company may provide |
| 20 | duplication of coverage already provided by a renter's or homeowner's |
| 21 | policy or other source of coverage. You are encouraged to contact your |
| 22 | primary insurance carrier if you have questions about your existing |
| 23 | <u>coverage.</u> |
| 24 | Kansas Insurance Department, Ken Selzer, Commissioner"; |
| 25 | (4) the insurance policy issued by the self-service storage company |
| 26 | is in an amount that does not exceed \$5,000 of coverage per customer |
| 27 | |
| | per storage unit; and |
| 28 | <u>per storage unit; and</u> (3) (5) evidence of coverage is provided to every renter who elects to |
| 28 29 | <u>per storage unit; and</u> (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. |
| 28 29 30 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also |
| 28 29 30 31 | per storage unit; and(3) (5) evidence of coverage is provided to every renter who elects topurchase such coverage.(g) Any limited license issued pursuant to this section shall also-authorize any employee of the licensee who is trained, pursuant to |
| 28 29 30 31 32 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the |
| 28 29 30 31 32 33 | per storage unit; and (3)_(5) |
| 28 29 30 31 32 33 34 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. |
| 28 29 30 31 32 33 34 35 | per storage unit; and (3) (5) |
| 28 29 30 31 32 33 34 35 36 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to |
| 28 29 30 31 32 33 34 35 36 37 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to the commissioner for approval prior to use and which shall meet all of the |
| 28 29 30 31 32 33 34 35 36 37 38 | per storage unit; and (3) (5) - evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also-authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to the commissioner for approval prior to use and which shall meet all of the following minimum standards: |
| 28 29 30 31 32 33 34 35 36 37 38 39 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to the commissioner for approval prior to use and which shall meet all of the following minimum standards: (1) Each trainee shall receive basic instruction about the kinds of |
| 28 29 30 31 32 33 34 35 36 37 38 39 40 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to the commissioner for approval prior to use and which shall meet all of the following minimum standards: (1) Each trainee shall receive basic instruction about the kinds of insurance specified in this section offered for purchase by prospective |
| 28 29 30 31 32 33 34 35 36 37 38 39 40 41 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to the commissioner for approval prior to use and which shall meet all of the following minimum standards: (1) Each trainee shall receive basic instruction about the kinds of insurance specified in this section offered for purchase by prospective renters of storage units; |
| 28 29 30 31 32 33 34 35 36 37 38 39 40 | per storage unit; and (3) (5) evidence of coverage is provided to every renter who elects to purchase such coverage. (g) Any limited license issued pursuant to this section shall also authorize any employee of the licensee who is trained, pursuant to subsection (h) of this section, to act individually on behalf and under the supervision of the licensee with respect to the kinds of insurance specified in this section. (h) Each self-service storage company or franchisee licensed pursuant to this section shall conduct a training program which shall be submitted to the commissioner for approval prior to use and which shall meet all of the following minimum standards: (1) Each trainee shall receive basic instruction about the kinds of insurance specified in this section offered for purchase by prospective |

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1 this section is not required in order for the renter to rent a storage unit; and 2 (3) each trainee shall be instructed to acknowledge to a prospective 3 renter of a storage unit that the renter may have insurance policies that 4 already provide the coverage being offered by the self-service storage 5 company pursuant to this section. (i) Limited licensees acting pursuant to and under the authority of this 6 7 section shall comply with all applicable provisions of this section, except that, notwithstanding any other provision of this section, or any rule or-8 9 regulation adopted by the commissioner, a limited licensee pursuant to this 10 section shall not be required to treat premiums collected from renterspurchasing such insurance when renting storage units as funds received in 11 12 a fiduciary capacity, provided that both of the following apply: 13 (1) The insurer represented by the limited licensee has consented in writing, signed by the insurer's officer, that premiums need not be-14 segregated from funds received by the self-service storage company on 15 16 account of storage unit rental; and 17 (2) the charges for insurance coverage are itemized but not billed to the renter separately from the charges for storage units. 18 (i) No limited licensee licensed pursuant to this section shall 19 20 advertise, represent or otherwise hold itself or any of its employees out as 21 licensed insurance agents or brokers. {Insurance relating to the rental of 22 self-service storage units shall only be sold by a licensee, and no such 23 insurance shall be sold to any person in this state unless all of the 24 following apply: 25 (1) The rental period of the rental agreement does not exceed two 26 vears: 27 (2) at every location where such insurance agreements are 28 executed, brochures or other written materials are readily available to 29 the prospective renter that: 30 (A) Summarize, clearly and correctly, the material terms of 31 insurance coverage, including the identity of the insurer, offered to 32 renters: 33 (B) disclose that this insurance may provide duplication of 34 coverage already provided by a renter's or homeowner's insurance 35 policy or other source of coverage; 36 (C) state that the purchase by the renter of this insurance is not 37 required in order to rent a storage unit; 38 (D) describe the process for filing a claim in the event the renter 39 elects to purchase coverage and in the event of a claim; and 40 (E) contain any additional information on the price, benefits, exclusions, conditions or other limitations of such policies as the 41 42 commissioner may, by rules and regulations, prescribe; 43 (3) at every location where such insurance agreements are

executed, a sign, approved by the commissioner, is posted that
 contains the following, or substantially the same information: "State
 law requires the operator of this facility to inform you that insurance
 sold by this self-storage company may provide duplication of coverage
 already provided by a renter's or homeowner's policy or other source
 of coverage. You are encouraged to contact your primary insurance
 carrier if you have questions about your existing coverage."; and

8 (4) evidence of coverage is provided to every renter who elects to 9 purchase such insurance.

10 (c)} No renter or occupant shall be required to obtain insurance 11 pursuant to this section as a condition of obtaining a rental agreement for a 12 storage unit. The renter shall be informed that the insurance offered 13 pursuant to this section is not required as a condition for obtaining a rental 14 agreement for a storage unit.

15 {(d) The commissioner shall adopt rules and regulations as
 16 necessary to carry out the provisions of this section by January 1,
 17 2018.

Sec. 2. On and after January 1, 2018, K.S.A. 2016 Supp. 40-4903 is hereby amended to read as follows: 40-4903. (a) Unless denied licensure pursuant to K.S.A. 2016 Supp. 40-4909, and amendments thereto, any person who meets the requirements of K.S.A. 2016 Supp. 40-4905, and amendments thereto, shall be issued an insurance agent license. An insurance agent may receive qualifications 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.

29 (2) Accident and health or sickness — insurance coverage for
 30 sickness, bodily injury or accidental death and may include benefits
 31 for disability income.

32 (3) Property — insurance coverage for the direct or consequential
 33 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, variable
annuities or any other life insurance or annuity product that reflects
the investment experience of a separate account.

41 (6) Personal lines — property and casualty insurance coverage 42 sold primarily to an individual or family for noncommercial purposes.

43 (7) Credit — limited line credit insurance.

1 (8) Crop insurance — limited line insurance for damage to crops 2 from unfavorable weather conditions, fire, lightning, flood, hail, insect 3 infestation, disease or other yield-reducing conditions or any other 4 peril subsidized by the federal crop insurance corporation, including 5 multi-peril crop insurance.

6 (9) Title insurance — limited line insurance that insures titles to 7 property against loss by reason of defective titles or encumbrances.

8 (10) Travel insurance — limited line insurance for personal risks 9 incidental to planned travel, including, but not limited to:

(A) Interruption or cancellation of trip or event;

(B) loss of baggage or personal effects;

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(C) damages to accommodations or rental vehicles; or

(D) sickness, accident, disability or death occurring during travel.
 Travel insurance does not include major medical plans, which provide
 comprehensive medical protection for travelers with trips lasting six
 months or longer, for example, persons working overseas including
 military personnel deployed overseas.

(11) Pre-need funeral insurance — limited line insurance that
 allows for the purchase of a life insurance or annuity contract by or on
 behalf of the insured solely to fund a pre-need contract or
 arrangement with a funeral home for specific services.

(12) Bail bond insurance — limited line insurance that provides
surety for a monetary guarantee that an individual released from jail
will be present in court at an appointed time.

25 (13) Self-service storage unit insurance — limited line insurance relating to the rental of self-service storage units, including: (A) Personal 26 27 effects insurance that provides coverage to renters of storage units at the 28 same facility for the loss of, or damage to, personal effects that occurs at 29 the same facility during the rental period; and (B) any other coverage that the commissioner may approve as meaningful and appropriate in 30 31 connection with the rental of storage units. Such insurance may only be 32 issued in accordance with section 1, and amendments thereto.

(14) Any other line of insurance permitted under the provisions
 of chapter 40 of the Kansas Statutes Annotated, and amendments
 thereto, and any rules and regulations promulgated thereunder.

(b) Unless suspended, revoked or refused renewal pursuant to
K.S.A. 2016 Supp. 40-4909, and amendments thereto, an insurance
agent license shall remain in effect as long as education requirements
for resident individual agents are met by such insurance agent's
biennial due date.

41 (c) On and after the effective date of this act: (1) Each licensed
42 insurance agent who is an individual and holds a property or casualty
43 qualification, or both, or a personal lines qualification shall biennially

obtain a minimum of 12 C.E.C.s in courses certified as property and
 casualty which shall include at least one hour of instruction in
 insurance ethics which also may include regulatory compliance. No
 more than three of the required C.E.C.s shall be in insurance agency
 management.

6 (2) Each licensed insurance agent who is an individual and holds 7 a life, accident and health, or variable contracts qualification, or any 8 combination thereof, shall biennially complete 12 C.E.C.s in courses 9 certified as life, accident and health, or variable contracts which shall 10 include at least one hour of instruction in insurance ethics which also 11 may include regulatory compliance. No more than three of the 12 required C.E.C.s shall be in insurance agency management.

(3) Each licensed insurance agent who is an individual and holds
 only a crop qualification shall biennially obtain a minimum of two
 C.E.C.s in courses certified as crop C.E.C.s under the property and
 casualty category.

17 (4) Each licensed insurance agent who is an individual and is 18 licensed only for title insurance shall biennially obtain a minimum of 19 four C.E.C.s in courses certified by the board of abstract examiners as 20 title *C.E.C.s* under the property and casualty category.

21 (5) Each licensed insurance agent who is an individual and holds 22 a life insurance license solely for the purpose of selling pre-need 23 funeral insurance or annuity products shall file a report on or before 24 such agent's biennial due date affirming that such agent transacted no 25 other insurance business during the period covered by the report. Upon request of the commissioner, an agent shall provide certification 26 27 from an officer of each insurance company which has appointed such 28 agent that the agent transacted no other insurance business during the 29 period covered by the report. Agents who have offered to sell or sold only pre-need funeral insurance are exempt from the requirement to 30 31 obtain C.E.C.s.

32 (6) Each licensed insurance agent who is an individual and holds 33 only a bail bond qualification is exempt from the requirement to 34 obtain C.E.C.s.

(7) Each licensed insurance agent who is an individual and holds
only a self-service storage unit qualification shall biennially obtain a
minimum of two C.E.C.s in courses certified as self-service storage unit
C.E.C.s under the property and casualty category.

(d) On and after the effective date of this act, each individual
insurance agent who holds a license with both a property or casualty
qualification, or both, and a life, accident and health or variable
contracts qualification, or any combination thereof, and who earns
C.E.C.s from courses certified by the commissioner as qualifying for

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credit in any class, may apply, at such insurance agent's option, such
 C.E.C.s toward either the property or casualty continuing education
 requirement or to the life, accident and health or variable contracts
 continuing education requirement. However, no C.E.C. shall be
 applied to satisfy both the biennial property or casualty requirement,
 or both, and the biennial requirement for life, accident and health or
 variable contracts, or any combination thereof.

8 (e) An instructor of an approved subject shall be entitled to the 9 same C.E.C. as a student completing the study.

10 (f) (1) An individual insurance agent who has been licensed for more than one year, on or before such insurance agent's biennial due 11 date, shall file a report with the commissioner certifying that such 12 insurance agent has met the continuing education requirements for 13 the previous biennium ending on such insurance agent's biennial due 14 date. Each individual insurance agent shall maintain a record of all 15 16 courses attended together with a certificate of attendance for the 17 remainder of the biennium in which the courses were attended and the 18 entire next succeeding biennium.

19 (2) If the required report showing proof of continuing education 20 completion is not received by the commissioner by the individual 21 insurance agent's biennial due date, such individual insurance agent's 22 qualification and each and every corresponding license shall be 23 suspended automatically for a period of 90 calendar days or until such 24 time as the producer satisfactorily demonstrates completion of the 25 continuing education requirement whichever is sooner. In addition the commissioner shall assess a penalty of \$100 for each license 26 27 suspended. If such insurance agent fails to furnish to the 28 commissioner the required proof of continuing education completion 29 and the monetary penalty within 90 calendar days of such insurance agent's biennial due date, such individual insurance agent's 30 31 qualification and each and every corresponding license shall expire on 32 such insurance agent's biennial due date. If after more than three but 33 less than 12 months from the date the license expired, the insurance 34 agent wants to reinstate such insurance agent's license, such individual 35 shall provide the required proof of continuing education completion 36 and pay a reinstatement fee in the amount of \$100 for each license 37 suspended. If after more than 12 months from the date an insurance 38 agent's license has expired, such insurance agent wants to reinstate 39 such insurance agent's license, such individual shall apply for an 40 insurance agent's license, provide the required proof of continuing education completion and pay a reinstatement fee in the amount of 41 \$100 for each license suspended. Upon receipt of a written application 42 43 such insurance agent claiming extreme hardship, the from

1 commissioner may waive any penalty imposed under this subsection.

2 (3) On and after the effective date of this act, any applicant for an 3 individual insurance agent's license who previously held a license 4 which expires on or after June 30, 2001, because of failure to meet 5 continuing education requirements and who seeks to be relicensed 6 shall provide evidence that appropriate C.E.C.s have been completed 7 for the prior biennium.

8 (4) Upon receipt of a written application from an individual 9 insurance agent, the commissioner, in cases involving medical 10 hardship or military service, may extend the time within which to 11 fulfill the minimum continuing educational requirements for a period 12 of not to exceed 180 days.

13 (5) This section shall not apply to any inactive insurance agent 14 during the period of such inactivity. For the purposes of this 15 paragraph, "inactive period" or "period of inactivity" shall mean a 16 continuous period of time of not less than two years and not more than 17 four years starting from the date inactive status is granted by the 18 commissioner. Before returning to active status, such inactive 19 insurance agent shall:

(A) File a report with the commissioner certifying that such agent
 has met the continuing education requirement; and

(B) pay the renewal fee. If the required proof of continuing education completion and the renewal fee is not furnished at the end of the inactive period, such individual insurance agent's qualification and each and every corresponding license shall expire at the end of the period of inactivity. For issuance of a new license, the individual shall apply for a license and pass the required examination.

(6) Any individual who allows such individual's insurance agent
license in this state and all other states in which such individual is
licensed as an insurance agent to expire for a period of four or more
consecutive years, shall apply for a new insurance agent license and
pass the required examination.

(g) (1) Each course, program of study, or subject shall be
 submitted to and certified by the commissioner in order to qualify for
 purposes of continuing education.

36 (2) Each request for certification of any course, program of study
 37 or subject shall contain the following information:

38 39 (A) The name of *the* provider or provider organization;(B) the title of such course, program of study or subject;

40 (C) the date the course, program of study or subject will be 41 offered;

42 (D) the location where the course, program of study or subject 43 will be offered; 1 (E) an outline of each course, program of study or subject 2 including a schedule of times when such material will be presented;

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(G) the number of C.E.C.s requested;

5 (H) a nonrefundable C.E.C. qualification fee in the amount of \$50 6 per course, program of study or subject or \$250 per year for all 7 courses, programs of study or subjects submitted by a specific 8 provider or provider organization; and

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(I) a nonrefundable annual provider fee of \$100.

(F) the names and qualifications of instructors;

(3) Upon receipt of such information, the commissioner shall
grant or deny certification of any submitted course, program of study
or subject as an approved subject, program of study or course and
indicate the number of C.E.C.s that will be recognized for each
approved course, program of study or subject. Each approved course,
program of study or subject shall be assigned by the commissioner to
one or both of the following classes:

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(A) Property and casualty; or

(B) life insurance, including annuity and variable contracts, andaccident and health insurance.

20 (4) Each course, program of study or subject shall have a value of 21 at least one C.E.C.

22 (5) Each provider seeking approval of a course, program of study 23 or subject for continuing education credit shall issue or cause to be issued to each person who attends a course, program of study or 24 25 subject offered by such provider a certificate of attendance. The certificate shall be signed by either the instructor who presents the 26 course, program of study or course or such provider's authorized 27 28 representative. Each provider shall maintain a list of all individuals 29 who attend courses offered by such provider for continuing education credit for the remainder of the biennium in which the courses are 30 31 offered and the entire next succeeding biennium.

The commissioner shall accept, without substantive review, any course, program of study or subject submitted by a provider which has been approved by the insurance supervisory authority of any other state or territory accredited by the NAIC. The commissioner may disapprove any individual instructor or provider who has been the subject of disciplinary proceedings or who has otherwise failed to comply with any other state's or territory's laws or regulations.

(6) The commissioner may grant or approve any specific course,
program of study or course that has appropriate merit, such as any
course, programs of study or course with broad national or regional
recognition, without receiving any request for certification. The fee
prescribed by-paragraph (2) of subsection (g)(2) shall not apply to any

1 approval granted pursuant to this provision.

2 (7) The C.E.C. value assigned to any course, program of study or subject, other than a correspondence course, computer based training, 3 interactive internet study training or other course pursued by 4 independent study, shall in no way be contingent upon passage or 5 satisfactory completion of any examination given in connection with 6 7 such course, program of study or subject. The commissioner shall 8 establish, by rules and regulations criteria for determining acceptability of any method used for verification of the completion of 9 each stage of any computer based or interactive internet study 10 training. Completion of any computer based training or interactive 11 internet study training shall be verified in accordance with a method 12 approved by the commissioner. 13

14 (h) Upon request, the commissioner shall provide a list of all 15 approved continuing education courses currently available to the 16 public.

(i) An individual insurance agent who independently studies an
insurance course, program of study or subject which is not an agent's
examination approved by the commissioner and who passes an
independently monitored examination, shall receive credit for the
C.E.C.s assigned by the commissioner as recognition for the approved
subject. No other credit shall be given for independent study.

(j) Any licensed individual insurance agent who is unable to comply with license renewal procedures due to military service or some other extenuating circumstances may request a waiver of those procedures from the commissioner. Such agent may also request from the commissioner a waiver of any examination requirement or any other fine or sanction imposed for failure to comply with renewal procedures.

30 Sec. 3. On and after January 1, 2018, K.S.A. 2016 Supp. 40-4903 is 31 hereby repealed.}

32 Sec. $\underline{2}$: {4.} This act shall take effect and be in force from and after its 33 publication in the statute book.