



General Assembly

February Session, 2004

Raised Bill No. 5548

LCO No. 1910

01910_____INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

AN ACT CONCERNING RESIDUAL PAYMENTS MADE TO HEIRS AND ASSIGNEES OF INSURANCE PRODUCERS AND WAIVER OF CERTAIN PRODUCER EXAMINATION REQUIREMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (c) of section 38a-702l of the general statutes is
2 repealed and the following is substituted in lieu thereof (*Effective*
3 *October 1, 2004*):

4 (c) Renewal or other deferred commissions may be paid to a person,
5 or an heir or assignee of the person, for selling, soliciting or negotiating
6 insurance in this state if the person was required to be licensed under
7 sections 38a-702a to 38a-702r, inclusive, at the time of the sale,
8 solicitation or negotiation and was so licensed at that time.

9 Sec. 2. Section 38a-702h of the general statutes is repealed and the
10 following is substituted in lieu thereof (*Effective October 1, 2004*):

11 (a) Except as provided in section 38a-702g or 38a-702n, an
12 individual who applies for an insurance producer license in this state
13 and who was previously licensed for the same lines of authority in
14 another state shall not be required to complete any prelicensing

15 education or examination if the application is received not later than
16 ninety days after the cancellation of the applicant's previous license
17 and if the prior state issues a certification that, at the time of
18 cancellation, the applicant was in good standing in that state or the
19 state's producer database records, maintained by the National
20 Association of Insurance Commissioners, its affiliates or subsidiaries,
21 indicate that the producer is or was licensed in good standing for the
22 line of authority requested.

23 (b) A person licensed as an insurance producer in another state who
24 moves to this state shall make application not later than ninety days
25 after establishing legal residence to become a resident licensee
26 pursuant to section 38a-702e. No prelicensing education or
27 examination shall be required of such person for any line of authority
28 previously held in the prior state except where the commissioner
29 determines otherwise by regulation, which the commissioner may
30 adopt in accordance with chapter 54.

31 (c) The commissioner may waive the requirement of an examination
32 for a license to act as a producer for (1) property and casualty
33 insurance in the case of any applicant who has been awarded the
34 professional designation of Chartered Property and Casualty
35 Underwriter, and (2) life and accident insurance in the case of any
36 applicant who has been awarded the professional designation of
37 Chartered Life Underwriter.

This act shall take effect as follows:	
Section 1	<i>October 1, 2004</i>
Sec. 2	<i>October 1, 2004</i>

Statement of Purpose:

To provide (1) that certain earned commissions of a producer may be paid to the heir or assignee of the producer, and (2) that the Insurance Commissioner may waive examination requirements for producers who have been awarded the professional designation of Chartered Life Underwriter or Chartered Property and Casualty Underwriter.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]