



Senate Bill No. 480

Public Act No. 14-216

AN ACT CONCERNING LIFE INSURANCE PRODUCER LICENSES AND REGISTRATIONS OF BROKER-DEALERS, AGENTS, INVESTMENT ADVISERS AND INVESTMENT ADVISER AGENTS, AND THE INSURANCE COMMISSIONER'S AUTHORITY TO DENY AN APPLICATION FOR AN INSURANCE PRODUCER LICENSE.

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

Section 1. (NEW) (*Effective October 1, 2014*) (a) The Banking Commissioner shall provide monthly to the Insurance Commissioner, in a form and manner agreed upon by said commissioners, a list of the names and corresponding Social Security numbers of broker-dealers, agents associated with a broker-dealer or an issuer, investment advisers and investment adviser agents, as such terms are defined in section 36b-3 of the general statutes, (1) who are currently registered with the Banking Commissioner, and (2) who have had their registrations denied, suspended or revoked pursuant to section 36b-15 of the general statutes during the preceding ten years. The list under subdivision (2) of this subsection shall include the reason for such denial, suspension or revocation.

(b) (1) The Insurance Commissioner shall determine whether any applicant for an insurance producer license who submits such application on or after October 1, 2014, or any currently licensed insurance producer is included in the list set forth in subdivision (2) of

Senate Bill No. 480

subsection (a) of this section.

(2) (A) If the Insurance Commissioner determines that an applicant for an insurance producer license is included in the list under subdivision (2) of subsection (a) of this section, said commissioner shall consider, in addition to the grounds for denial of a license set forth in section 38a-702k of the general statutes, the denial, suspension or revocation of such applicant's registration under section 36b-15 of the general statutes in determining whether to grant such license. Notwithstanding the provisions of subsection (a) of section 38a-702e of the general statutes, subsection (a) of section 38a-702f of the general statutes or subsection (a) of section 38a-702g of the general statutes, said commissioner may deny such application if said commissioner determines such applicant is not properly qualified or trustworthy and that granting such license is against the public interest.

(B) If such application is denied, the Insurance Commissioner shall notify the applicant and advise, in writing, the applicant of the reason for the denial of the applicant's license. The applicant may make written demand upon said commissioner, not later than thirty days after the applicant receives such notice, for a hearing before said commissioner to determine the reasonableness of said commissioner's action. The hearing shall be held in accordance with section 38a-19 of the general statutes.

(C) An individual aggrieved by a final order or decision of the Insurance Commissioner in denying an insurance producer license under this section may appeal therefrom in accordance with the provisions of section 4-183 of the general statutes, except venue for such appeal shall be in the judicial district of New Britain.

(3) (A) If the Insurance Commissioner determines that a licensed insurance producer is included in the list under subdivision (2) of subsection (a) of this section, said commissioner shall consider, if the

Senate Bill No. 480

denial, suspension or revocation of such licensee's registration under section 36b-15 of the general statutes was not previously known to said commissioner, whether such denial, suspension or revocation, in addition to the grounds for nonrenewal, suspension or revocation of a license set forth in section 38a-702k of the general statutes, materially affects the qualifications or trustworthiness of such licensee. Said commissioner shall, after reasonable notice to such licensee, hold a hearing to make such determination. Said commissioner may nonrenew, suspend or revoke an insurance producer license of such licensee if said commissioner determines such licensee is not qualified or trustworthy and that renewing or continuing such license is against the public interest.

(B) If such license is nonrenewed, suspended or revoked, the Insurance Commissioner shall notify the licensee and advise, in writing, the licensee of the reason for such nonrenewal, suspension or revocation. An individual aggrieved by an order or decision of said commissioner in nonrenewing, suspending or revoking a life insurance producer license under this section may appeal therefrom in accordance with the provisions of section 4-183 of the general statutes, except venue for such appeal shall be in the judicial district of New Britain.

Sec. 2. (NEW) (*Effective October 1, 2014*) Notwithstanding the provisions of subsection (a) of section 38a-702e of the general statutes, subsection (a) of section 38a-702f of the general statutes or subsection (a) of section 38a-702g of the general statutes, in addition to the grounds for denial of an insurance producer's license set forth in section 38a-702k of the general statutes, the Insurance Commissioner may deny an application for an insurance producer license if said commissioner determines such applicant is not properly qualified or trustworthy and that granting such license is against the public interest. The provisions of subsection (b) of section 38a-702k of the

Senate Bill No. 480

general statutes shall apply to any such denial.

Approved June 13, 2014