



General Assembly

**Amendment**

February Session, 2014

LCO No. 5068

**\*SB0048005068SR0\***

Offered by:

SEN. KELLY, 21<sup>st</sup> Dist.

SEN. CRISCO, 17<sup>th</sup> Dist.

REP. MEGNA, 97<sup>th</sup> Dist.

To: Senate Bill No. 480

File No. 395

Cal. No. 273

**"AN ACT CONCERNING LIFE INSURANCE PRODUCER LICENSES AND REGISTRATIONS OF BROKER-DEALERS, AGENTS, INVESTMENT ADVISERS AND INVESTMENT ADVISER AGENTS."**

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

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

13 subdivision (2) of this subsection shall include the reason for such  
14 denial, suspension or revocation.

15 (b) (1) The Insurance Commissioner shall determine whether any  
16 applicant for an insurance producer license who submits such  
17 application on or after October 1, 2014, or any currently licensed  
18 insurance producer is included in the list set forth in subdivision (2) of  
19 subsection (a) of this section.

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

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

41 (C) An individual aggrieved by a final order or decision of the  
42 Insurance Commissioner in denying an insurance producer license  
43 under this section may appeal therefrom in accordance with the  
44 provisions of section 4-183 of the general statutes, except venue for

45 such appeal shall be in the judicial district of New Britain.

46 (3) (A) If the Insurance Commissioner determines that a licensed  
47 insurance producer is included in the list under subdivision (2) of  
48 subsection (a) of this section, said commissioner shall consider, if the  
49 denial, suspension or revocation of such licensee's registration under  
50 section 36b-15 of the general statutes was not previously known to said  
51 commissioner, whether such denial, suspension or revocation, in  
52 addition to the grounds for nonrenewal, suspension or revocation of a  
53 license set forth in section 38a-702k of the general statutes, materially  
54 affects the qualifications or trustworthiness of such licensee. Said  
55 commissioner shall, after reasonable notice to such licensee, hold a  
56 hearing to make such determination. Said commissioner may  
57 nonrenew, suspend or revoke an insurance producer license of such  
58 licensee if said commissioner determines such licensee is not qualified  
59 or trustworthy and that renewing or continuing such license is against  
60 the public interest.

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

70 Sec. 2. (NEW) (*Effective October 1, 2014*) Notwithstanding the  
71 provisions of subsection (a) of section 38a-702e of the general statutes,  
72 subsection (a) of section 38a-702f of the general statutes or subsection  
73 (a) of section 38a-702g of the general statutes, in addition to the  
74 grounds for denial of an insurance producer's license set forth in  
75 section 38a-702k of the general statutes, the Insurance Commissioner  
76 may deny an application for an insurance producer license if said  
77 commissioner determines such applicant is not properly qualified or

78 trustworthy and that granting such license is against the public  
79 interest. The provisions of subsection (b) of section 38a-702k of the  
80 general statutes shall apply to any such denial."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2014</i>	New section
Sec. 2	<i>October 1, 2014</i>	New section