## **SENATE BILL 93**

C4, C3 0lr0039 (PRE-FILED) By: Chair, Finance Committee (By Request - Departmental - Maryland Insurance Administration) Requested: September 16, 2019 Introduced and read first time: January 8, 2020 Assigned to: Finance Committee Report: Favorable Senate action: Adopted Read second time: January 21, 2020 CHAPTER \_\_\_\_\_ AN ACT concerning Insurance - Nonresident Insurance Producers - Cancellation FOR the purpose of requiring the holder of a nonresident insurance producer license to maintain a certain licensing status in the holder's home state; authorizing the Maryland Insurance Commissioner to cancel a nonresident producer license after receiving notification that the producer no longer has a home state license; making stylistic changes; and generally relating to nonresident insurance producers. BY repealing and reenacting, with amendments, Article – Insurance Section 10-119 Annotated Code of Maryland (2017 Replacement Volume and 2019 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows: Article - Insurance 10-119.

## EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.

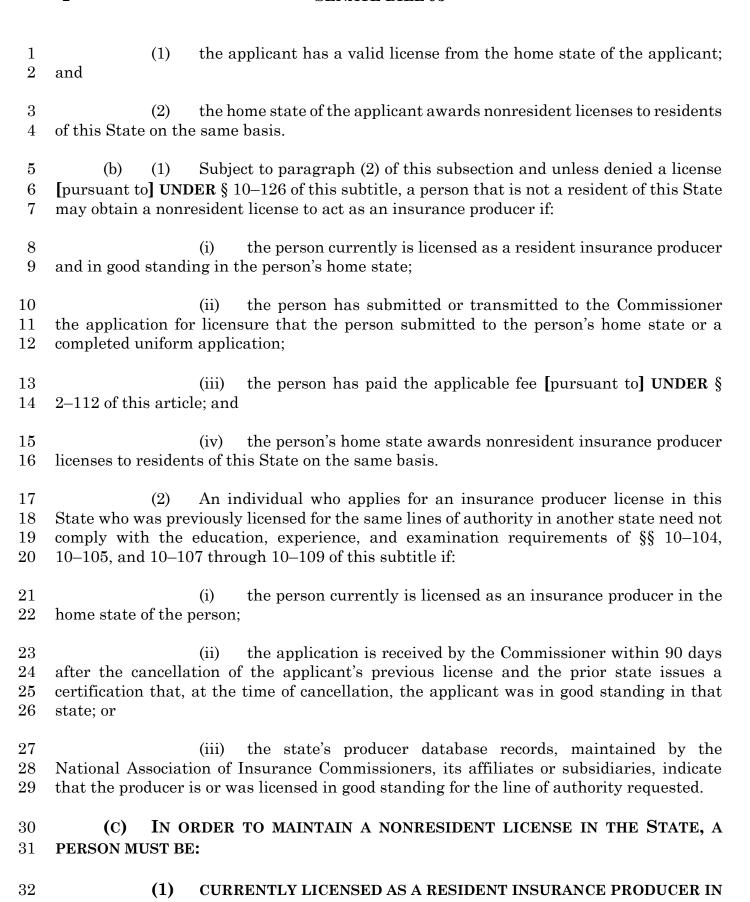
any license application requirements for an applicant who is not a resident of this State if:

Except as otherwise provided in this section, the Commissioner shall waive



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THE PERSON'S HOME STATE; AND



## 1 (2) IN GOOD STANDING IN THE PERSON'S HOME STATE.

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- [(c)] (D) The Commissioner may verify the licensing status of a nonresident insurance producer through the producer database maintained by the National Association of Insurance Commissioners, its affiliates or subsidiaries.
- [(d)] (E) Notwithstanding any other provision of this subtitle, a person licensed as a limited line credit insurance producer or other type of limited lines insurance producer in the person's home state is entitled to receive a nonresident limited lines insurance producer license [, pursuant to] UNDER subsection (b) of this section [,] granting the same scope of authority as granted under the license issued by the person's home state.
- [(e)] **(F)** (1) Notwithstanding any other provision of this subtitle, a person licensed as a surplus lines broker in the person's home state is entitled to receive a nonresident certificate of qualification as a surplus lines broker under subsection (b) of this section.
- 14 (2) Except for subsection (b) of this section, nothing in this section 15 supersedes any provision of Title 3, Subtitle 3 of this article.
- 16 **[(f)] (G)** (1) A nonresident insurance producer who moves from one state to another state or a resident producer who moves from this State to another state shall:
  - (i) file with the Commissioner a change of address; and
- 19 (ii) provide to the Commissioner certification from the new resident 20 state within 30 days after the change of legal residence.
- 21 (2) The Commissioner may not charge a fee or require a license application 22 following a change of legal residence.
- [(g)] (H) (1) A person licensed as an insurance producer in another state who moves to this State shall apply to become licensed as a resident insurance producer under \$ 10–111 of this subtitle within 90 days [of] AFTER establishing legal residence in this State.
- 27 (2) If the person applies to become licensed as a resident insurance 28 producer within 90 days [of] AFTER establishing legal residence in the State, the person 29 need not comply with the education, experience, and examination requirements of §§ 30 10–104, 10–105, and 10–107 through 10–109 of this subtitle to obtain a license for any line 31 of authority that the person previously held in the prior state, except where the 32 Commissioner determines otherwise by regulation.
  - (I) THE COMMISSIONER MAY CANCEL THE LICENSE OF A NONRESIDENT INSURANCE PRODUCER AFTER RECEIVING NOTICE THAT THE PERSON IS NO LONGER

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Speaker of the House of Delegates.

President of the Senate.