SENATE BILL No. 1344

May 28, 2008, Introduced by Senators SANBORN, BARCIA, GLEASON, BISHOP, ALLEN and CROPSEY and referred to the Committee on Economic Development and Regulatory Reform.

A bill to amend 1956 PA 218, entitled "The insurance code of 1956,"

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by amending section 1205 (MCL 500.1205), as amended by 2001 PA 228.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1205. (1) A person applying for a resident insurance 2 producer license shall file with the commissioner the uniform 3 application required by the commissioner and shall declare under penalty of refusal, suspension, or revocation of the license that 5 the statements made in the application are true, correct, and complete to the best of the individual's knowledge and belief. An application for a resident insurer producer license shall not be approved unless the commissioner finds that the individual meets

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- 1 all of the following:
- 2 (a) Is at least 18 years of age.
- 3 (b) Has not committed any act that is a ground for denial,
- 4 suspension, or revocation under section 1239 LISTED IN SECTION
- 5 1239(1).
- 6 (c) As required under section 1204(2), has completed a
- 7 prelicensing course of study for the qualifications for which the
- 8 person has applied.
- 9 (d) Has paid the fees applicable to the individual under
- **10** section 240.
- 11 (e) Has successfully passed the examination required for each
- 12 qualification for which the person has applied.
- 13 (2) A business entity acting as an insurance producer shall
- 14 obtain an insurance producer license. A business entity applying
- 15 for an insurance producer license shall file with the commissioner
- 16 the uniform business entity application required by the
- 17 commissioner. An application for an insurance producer license
- 18 under this subsection shall not be approved unless the commissioner
- 19 finds all of the following:
- 20 (a) The business entity has paid the fees under section
- **21** 240(1)(d).
- 22 (b) The business entity has designated an individual licensed
- 23 producer responsible for the business entity's compliance with this
- 24 state's insurance laws, rules, and regulations.
- 25 (c) The business entity has not committed any act that is
- 26 grounds for denial, suspension, or revocation under section 1239
- 27 LISTED IN SECTION 1239(1).

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- 1 (3) The commissioner may require the production of any
- 2 documents reasonably necessary to verify the information contained
- 3 in an application.
- 4 (4) Each insurer that sells, solicits, or negotiates any form
- 5 of limited line credit insurance shall provide to each individual
- 6 whose duties will include selling, soliciting, or negotiating
- 7 limited line credit insurance a program of instruction that may be
- 8 approved by the commissioner.