STATE OF NEW YORK

8060

2025-2026 Regular Sessions

IN SENATE

May 15, 2025

Introduced by Sen. BAILEY -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT to amend the insurance law, in relation to consolidating the licensing system for agents and brokers into a single producer license; and to repeal certain provisions of such law related thereto

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Section 214 of the insurance law, as amended by section 61 of part A of chapter 62 of the laws of 2011, is amended to read as follows:

§ 214. Report on insurance [~~agent~~] **producer** licensing examinations. The superintendent shall perform a study of the insurance [~~agent~~] **producer** licensure examinations required pursuant to section two thousand one hundred [~~three~~] **four** of this chapter. The study shall, at a minimum, include the total number of examinees, the passing rate of all examinees, and the mean scores on the examination. Additionally, the study shall examine the correlation between these statistics and the applicants' native language, level of education, gender, race and ethnicity. The study shall be completed by March fifteenth, two thousand twelve, and annually thereafter.

§ 2. Paragraphs 10 and 11 of subsection (k) of section 2101 of the insurance law, paragraph 10 as amended and paragraph 11 as added by section 36 of part D of chapter 56 of the laws of 2013, as renumbered by section 2 of part V of chapter 57 of the laws of 2014, are amended and a new paragraph 12 is added to read as follows:

(10) a person who is not a resident of this state who sells, solicits or negotiates a contract of property/casualty insurance, as defined in paragraph six of subsection (x) of this section, of an insurer not authorized to do business in this state, provided that: (A) the insured's home state is a state other than this state; and (B) such

EXPLANATION--Matter in **italics** (underscored) is new; matter in brackets [-] is old law to be omitted.

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person is otherwise licensed to sell, solicit or negotiate excess line insurance in the insured's home state; [~~or~~]

(11) any person who has received a grant from and has been certified by the health benefit exchange established pursuant to section 1311 of the affordable care act, 42 U.S.C. § 18031 to act as a navigator, as such term is used in 42 U.S.C. § 18031(i), including any person employed by a certified navigator, provided that the person: (A) has completed the training required by the health benefit exchange; (B) does not sell insurance; (C) does not engage in any activity with respect to insurance not expressly permitted under 42 U.S.C. § 18031 (i) (3) and regulations thereunder; and (D) does not receive any compensation for acting as a navigator directly or indirectly from an insured, insurance producer, or an insurer[~~.~~]; or

(12) nothing in this subsection shall be construed to alter the meaning of "insurance agent" and "insurance broker" as defined in paragraphs twenty-five and twenty-six of subsection (a) of section one hundred seven of this chapter, the meaning of "insurance agent", "independent insurance agent", and "insurance broker" as such terms are defined by subsections (a) through (c) of this section, or any duties established by such provisions.

§ 3. The section heading and subsections (a), (b), (d), (e), (h), (k), (l), (m), (n) and (o) of section 2103 of the insurance law, subsections (a), (b), (e) and (n) as amended by chapter 687 of the laws of 2003, subsection (k) as amended by chapter 540 of the laws of 1996, subsection (m) as amended by chapter 769 of the laws of 1984, and subsection (o) as added by chapter 285 of the laws of 1993, are amended to read as follows:

Insurance offered by mortgage guaranty insurance agents and fraternal benefit societies; licensing. (a) The superintendent may issue a license to any person, firm or corporation who or which has complied with the requirements of this chapter, authorizing such licensee to act as an insurance agent with respect to [~~the lines of authority for life insurance, variable life and variable annuity products, or accident and health insurance and sickness or any other line of authority deemed to be similar by the superintendent, including for this purpose, health maintenance organization contracts, legal services insurance or with respect to any combination of the above, as specified in such license, on behalf of any insurer, fraternal benefit society or health maintenance organization, which is authorized to do such kind or kinds of insurance or health maintenance organization business in this state~~] products described in section four thousand five hundred five of this chapter.

(b) [~~The superintendent may issue a license to any person, firm, association or corporation who or which has complied with the requirements of this chapter, authorizing the licensee to act as agent of any authorized insurer, other than an insurer specified in subsection (b) of section two thousand one hundred fifteen of this article, with respect to the lines of authority for accident and health or sickness, property, casualty, personal lines or any other line of authority granted other than life, and variable life and variable annuity products, which such insurer is authorized to do in this state~~] Any insurance agent licensed pursuant to subsection (a) of this section is hereby authorized while so licensed, to act in the sale, solicitation or negotiation for an insurance contract providing solely for disability benefits written to meet minimum requirements of article nine of the workers' compensation law.

(d) Every individual applicant for a license under this section and every proposed sub-licensee shall be eighteen years of age or over at the time of the issuance of such license. The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter.

(e) Before any original insurance agent's license is issued there shall be on file in the office of the superintendent an application by the prospective licensee in such form or forms and supplements, and containing information the superintendent prescribes and for each business entity, the sub-licensee or sub-licensees named in the application shall be designated responsible for the business entity's compliance with the insurance laws, rules and regulations of this state. The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter.

(h) The superintendent may refuse to issue any insurance agent's license if, in [~~his~~] the judgment of such superintendent, the proposed licensee or any sub-licensee is not trustworthy and competent to act as such agent, or has given cause for the revocation or suspension of such a license, or has failed to comply with any prerequisite for the issuance of such license. The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter, and agents of a fraternal benefit society as defined by subsection (a) of section four thousand five hundred one of this chapter.

(k) If the superintendent deems it necessary [~~he~~] such superintendent may require any licensed agent to submit a new application at any time. The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter, and agents of a fraternal benefit society as defined by subsection (a) of section four thousand five hundred one of this chapter.

(l) Any licensee may at any time while such license is in force apply to the superintendent for an additional license authorizing such licensee, and the sub-licensees named in such existing license, to act as insurance agents for additional insurers. The superintendent may, after the requirements of this chapter have been complied with, issue such additional license. The provisions of this subsection shall apply to agents of a fraternal benefit society as defined by subsection (a) of section four thousand five hundred one of this chapter.

(m) An agent appointed for an insurer authorized to transact business in this state may transact business for any subsidiaries or affiliates of said insurer that are licensed in this state for the same line or lines of insurance without such insurers submitting additional appointments, provided a certified copy of a resolution adopted by the board of directors of each of the insurers requesting such authority is filed with the superintendent by each of the insurers and renewed and refiled whenever deemed necessary by the superintendent. The resolution shall also designate the primary insurer for which all of the company's agents must be appointed pursuant to subsection (a) or (b) of this section, and said appointment must be in full force and effect in order to transact business for any of the affiliated or subsidiary insurers. The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter, and agents of a fraternal benefit society as

defined by subsection (a) of section four thousand five hundred one of this chapter.

(n) [~~Any insurance agent licensed pursuant to subsection (b) of this section is hereby authorized while so licensed, to act in the sale, solicitation or negotiation for an insurance contract providing solely for disability benefits written to meet minimum requirements of article nine of the workers' compensation law.~~

~~(o)~~] The superintendent may issue a replacement for a currently in force license which has been lost or destroyed. Before such replacement license shall be issued, there shall be on file in the office of the superintendent a written application for such replacement license, affirming under penalty of perjury that the original license has been lost or destroyed, together with a fee of fifteen dollars. The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter.

§ 4. Paragraph 2 of subsection (f) of section 2103 of the insurance law, as amended by chapter 65 of the laws of 1998, subparagraph (A) as amended by chapter 687 of the laws of 2003, subparagraph (B) as amended by chapter 365 of the laws of 2018, is amended and a new paragraph 4 is added to read as follows:

(2) The superintendent may from time to time make reasonable classifications of the kinds of insurance and may prescribe the following types of examinations:

[~~(A)~~] For individuals seeking to qualify to obtain a license under subsection (a) of this section, one examination adapted to test the qualifications for a life insurance agent's license[~~,~~] and another adapted to test the qualifications for an accident and health insurance agent's license [~~and another adapted to test the qualifications for a legal services insurance license~~]. Each such individual shall be required to pass the type or types of examination prescribed by the superintendent for the line or lines of authority, as specified in subsection (a) of this section, for which the license is sought. No individual shall be deemed qualified to take the examination or examinations unless [~~he~~] such individual shall have successfully completed a course or courses, approved as to method and content by the superintendent, covering the principal branches and contracts of life insurance, annuity contracts, disability insurance, accident and health insurance and related insurance and requiring not less than forty hours of classroom work or the equivalent in correspondence work or similar instruction, provided, however, that, at the discretion of the superintendent, insurance subject material may be eliminated from course content, with a corresponding reduction in course hours, if an insurer is not authorized to transact such kind or kinds of insurance in this state. Such course or courses either shall have been given by a degree conferring college or university which has, when such course is taken by such individual, a curriculum or curricula registered with the state education department, whether such course be given as part of any such curricula or separately, or by any other institution or life or accident and health insurer which maintains equivalent standards of instruction, and which shall have been approved for such purpose by the superintendent.

[~~(B) For individuals seeking to qualify to obtain a license under subsection (b) of this section, not more than six types of examinations, each adapted to test the qualifications of an individual with respect to the kinds of insurance business specified in such classification. Every such individual shall be required to pass the type or types of examina-~~

~~tion prescribed by the superintendent for the line or lines of authority for which the license is sought. No individual shall be deemed qualified to take the examination unless he shall have successfully completed a course or courses, approved as to method and content by the superintendent, covering the principal branches of the insurance business and requiring not less than ninety hours of classroom work or the equivalent in correspondence work, a course offered over the internet or a similar institution, in institutions of learning meeting the standards prescribed by paragraph one of subsection (a) of section two thousand one hundred four of this article; provided, however, with respect to a license issued pursuant to subsection (b) of this section for a personal line of authority, there shall be required not less than forty hours of such classroom work or the equivalent in correspondence work, a course offered over the internet or a similar institution.~~]

(4) The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter.

§ 5. Subsection (i) of section 2103 of the insurance law is amended by adding a new paragraph 4 to read as follows:

(4) The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter, and agents of a fraternal benefit society as defined by subsection (a) of section four thousand five hundred one of this chapter.

§ 6. Subsection (j) of section 2103 of the insurance law is amended by adding a new paragraph 14 to read as follows:

(14) The provisions of this subsection shall apply to agents of a mortgage insurer, as defined by subsection (b) of section six thousand five hundred one of this chapter, and agents of a fraternal benefit society as defined by subsection (a) of section four thousand five hundred one of this chapter.

§ 7. Section 2104 of the insurance law, paragraph 1 of subsection (b), paragraph 1 of subsection (c) and paragraph 1 of subsection (e) as amended by chapter 505 of the laws of 2000, the opening paragraph and subparagraphs (A) and (B) of paragraph 1 of subsection (b), paragraph 1 of subsection (d), paragraph 3 of subsection (e) and paragraph 5 of subsection (g) as amended and paragraph 3 of subsection (b) as added by chapter 687 of the laws of 2003, subparagraph (F) of paragraph 3 of subsection (e) and paragraph 2 of subsection (f) as amended by section 65 of part PP of chapter 56 of the laws of 2022, paragraph 1 of subsection (f) as amended by section 3 and paragraphs 2 and 3 of subsection (g) as amended by section 4 of part F of chapter 59 of the laws of 2005, paragraph 1 of subsection (g) as amended by chapter 200 of the laws of 2019, and subsection (j) as added by chapter 285 of the laws of 1993, is amended to read as follows:

§ 2104. Insurance [~~brokers~~] **producers**; licensing. (a) (1) The superintendent may issue an insurance [~~broker's~~] **producer's** license**, other than a title insurance agent's license issued pursuant to section two thousand one hundred thirty-nine of this article, a reinsurance intermediary's license issued pursuant to section two thousand one hundred six of this article, or an excess line broker's license issued pursuant to section two thousand one hundred five of this article,** to any individual, firm, association or corporation, hereinafter designated as "licensee," who or which is deemed by [~~him~~] **such superintendent** trustworthy and competent to act as a broker in such manner as to safeguard the interests of the insured**, and to act as insurance agent on behalf of any**

insurer, fraternal benefit society or health maintenance organization, which is authorized to do such kind or kinds of insurance or health maintenance organization business in this state, and who or which is otherwise qualified as herein required, and who or which has complied with the prerequisites herein prescribed.

(2) The purpose of this section is to protect the public by requiring and maintaining professional standards of conduct on the part of all insurance [~~brokers~~] producers acting as such within this state.

(b) (1) Such license shall [~~confer upon~~] authorize the licensee authority to act in this state as insurance [~~broker~~] producer, and upon every natural person named as sub-licensee in such license authority to act in this state as insurance [~~broker~~] producer in the name of and on behalf of such licensee, with respect to the following lines of authority:

(A) life insurance, variable life and variable annuity products, accident and health insurance and sickness or any other line of authority deemed to be similar by the superintendent, including for this purpose, health maintenance organization contracts and legal services insurance; or

(B) any and every line of authority, except life insurance and variable life and variable annuity products.

(2) A license issued to a corporation may name as sub-licensees only the officers and directors of such corporation, and a license issued to a firm or association may name as sub-licensees only the individual members of such firm or association. Each sub-licensee named in such license must be qualified to obtain a license as an insurance [~~broker~~] producer, and for each such sub-licensee a fee must be paid at the times and at the rates hereinafter specified.

(3) The license shall contain the licensee's name, address, personal identification number, the date of issuance, the licensee's lines of authority, the expiration date and any other information the superintendent deems necessary. The license shall display the lines of authority as:

(A) in the case of a license under subparagraph (A) of paragraph one of this subsection, "life", "variable life/variable annuities", and "accident and health and sickness"; and

(B) in the case of a license under subparagraph (B) of paragraph one of this subsection, "casualty", "property", "baggage"; "personal lines", and "accident and health and sickness".

(c) (1) Every individual applicant for such license and every proposed sub-licensee shall be of the age of eighteen years or over at the time of the issuance of such license. No individual shall be deemed qualified to obtain such license or to be named as sub-licensee therein unless [~~he~~] such individual shall comply with the requirements of subparagraph (A), (B) or (C) following:

(A) [~~He~~] Such individual shall have successfully completed a course or courses, approved as to method and content by the superintendent, covering the principal branches of the insurance business and requiring, in the case of a license under subparagraph (B) of paragraph one of subsection (b) of this section, not less than ninety hours, provided, however, with respect to a license issued pursuant to subparagraph (B) of paragraph one of subsection (b) of this section for a personal line of authority, there shall be required not less than forty hours of such classroom work or the equivalent in correspondence work, a course offered over the internet, or a similar institution, and in the case of a license under subparagraph (A) of paragraph one of subsection (b) of

this section, not less than forty hours of classroom work or the equivalent thereof in correspondence work. Such course or courses either were given by a degree conferring college or university which has, when such course is taken by such individual, a curriculum or curricula registered with the state education department, whether such course be given as a part of any such curriculum or separately, or were given by [~~the~~] The College of Insurance, or by any other institution which maintains equivalent standards of instruction, which has been continuously in existence for not less than five years prior to the taking of such course by such individual, and which shall have been approved for such purpose by the superintendent.

(B) [~~He~~] **Such individual** shall have been regularly employed by an insurance company or an insurance [~~agent or an insurance broker~~] **producer**, for a period or periods aggregating not less than one year during the three years next preceding the date of application, in the case of a license under subparagraph (B) of paragraph one of subsection (b) of this section, in responsible insurance duties relating to the underwriting or adjusting of losses in any one or more of the following branches of insurance: fire, marine, liability and workers' compensation, and fidelity and surety; in the case of a license under subparagraph (A) of paragraph one of subsection (b) of this section in responsible insurance duties relating to the use of life insurance, accident and health insurance and annuity contracts in the design and administration of plans for estate conservation and distribution, employee benefits and business continuation; and [~~he~~] **such applicant** shall submit with [~~his~~] **their** application a statement subscribed and affirmed as true under the penalties of perjury by such employer or employers stating facts which show compliance with this requirement.

(C) [~~He~~] **Such individual** shall have been regularly employed by an insurance company or an insurance [~~agent or an insurance broker~~] **producer**, for a period or periods aggregating not less than one year, during the three years next preceding the date of entrance into the service of the armed forces of the United States or immediately following [~~his~~] **their** discharge therefrom, in the case of a license under subparagraph (B) of paragraph one of subsection (b) of this section, in responsible insurance duties relating to the underwriting or adjusting of losses in any one or more of the following branches of insurance: fire, marine, liability and workers' compensation, and fidelity and surety; in the case of a license under subparagraph (A) of paragraph one of subsection (b) of this section in responsible insurance duties relating to the use of life insurance, accident and health insurance and annuity contracts in the design and administration of plans for estate conservation and distribution, employee benefits and business continuation; provided the application for such license is filed within one year from the date of discharge; and [~~he~~] **such individual** shall submit with [~~his~~] **their** application a statement subscribed and affirmed as true under the penalties of perjury by such employer or employers stating facts which show compliance with this requirement.

(2) The requirements of subparagraphs (A), (B) and (C) of paragraph one hereof shall not apply to any non-resident insurance [~~broker~~] **producer**.

(d) (1) Before any such license shall be issued by the superintendent and before each renewal, there shall be filed in [~~his~~] **the** office **of the superintendent** a written application therefor by the proposed licensee and by each proposed sub-licensee. Such application shall be in the form or forms and supplements prescribed by the superintendent and contain

such information as [~~he or she~~] **such superintendent** shall require and for each business entity, the sub-licensee or sub-licensees named in the application shall be designated responsible for the business entity's compliance with the insurance laws, rules and regulations of this state. In connection with any such application the superintendent shall have power to examine under oath any person who has or appears to have relevant information, and to make an examination of the books, records and affairs of any such applicant.

(2) The superintendent may require from every applicant and from every proposed sub-licensee, before issuing any such license or renewal license, a statement subscribed and affirmed by the applicant and proposed sub-licensee as true under the penalties of perjury as to the ownership of any interest in an applicant firm, association or corporation and as to facts indicating whether any applicant has been by reason of an existing license, if any, or will be by reason of the license applied for, receiving any benefit or advantage in violation of section two thousand three hundred twenty-four of this chapter, and also as to such facts as [~~he~~] **such superintendent** may deem pertinent to the requirements of this subsection.

(3) The superintendent may refuse to issue a license or renewal license, as the case may be, to any applicant if [~~he~~] **such superintendent** finds that such applicant has been or will be, as aforesaid, receiving any benefit or advantage in violation of section two thousand three hundred twenty-four of this chapter, or if [~~he~~] **such superintendent** finds that more than ten percent of the aggregate net commissions, received during the term of the existing license, if any, or to be received during the term of the license applied for, by the applicant, resulted or will result from insurance on [~~the~~] property and risks [~~set forth in subparagraphs (A), (B) and (C) of paragraph one of subsection (i) of section two thousand one hundred three of this article~~]**:**

(A) of the spouse of an individual applicant; and of any corporation of which such individual applicant or their spouse or both own more than fifty percent of the shares; and of any affiliated or subsidiary corporations of such corporation; and of the members of any firm or association and their spouses, of which firm or association the individual applicant or their spouse is a member;

(B) of the members of an applicant firm or association and their respective spouses, and of the owners of any interest in such firm or association and their respective spouses, and of any corporation of which such firm or association or the members or owners and their respective spouses, either individually or in the aggregate, own more than fifty percent of the shares, and of any affiliated or subsidiary corporations of such corporation, and of any other firm and the members thereof and their respective spouses, of which other firm a member or members of the applicant firm or association and their respective spouses are members or owners; and

(C) of the shareholders of an applicant corporation and their respective spouses, and of any affiliated and subsidiary corporations of such applicant corporation, and of any subsidiary and affiliated corporations of a corporation owning any interest in such applicant corporation, and of any firm or association and the members thereof and their respective spouses which either individually or collectively own more than fifty percent of the shares of the applicant corporation, and of any corporation of which such firm or association and its members and their respective spouses, either individually or in the aggregate, own more

than fifty percent of the shares, and of any affiliated or subsidiary corporation of such corporation.

(4) Nothing herein shall be deemed to disqualify any applicant by reason of acts done or facts existing at a time when the same did not, under the law then in force, constitute or contribute to constituting such a disqualification.

(e) (1) (A) The superintendent shall, in order to determine the competency of each applicant for an insurance broker's license, other than a renewal license, and of each proposed sub-licensee, to act as insurance broker, require every such person to submit to, and pass to the satisfaction of the superintendent, a personal written examination on the branches of the insurance business relevant to such license. Such examination shall be held at such times and places as the superintendent shall from time to time determine.

(B) An exemption may be granted, at the discretion of the superintendent, as to all or any part of the written examination or the prerequisite course specified in subparagraph (A) of paragraph one of subsection (c) of this section, of any individual seeking to be named a licensee or sub-licensee, upon whom has been conferred, in the case of a license under subparagraph (B) of paragraph one of subsection (b) of this section, the Chartered Property Casualty Underwriter (C.P.C.U.) designation by the American Institute for Property and Liability Underwriters, or on whom has been conferred, in the case of a license under subparagraph (A) of paragraph one of subsection (b) of this section, the Chartered Life Underwriter (C.L.U.), Chartered Financial Consultant (Ch.F.C.) or the Master of Science in Financial Services (M.S.F.S.) designations by the American College of Financial Service Professionals.

(C) The superintendent may accept, in lieu of any such examination, the result of any previous written examination, given by the superintendent, which in their judgment is equivalent to the examination for which it is substituted.

(D) The superintendent shall require that all written examinations request the applicant to set forth: (i) their full name, age, residence address, business address and mailing address; (ii) the applicant's gender; (iii) the applicant's native language; (iv) the applicant's highest level of education achieved; and (v) the applicant's race or ethnicity. This section of the examination shall include a clear and unambiguous statement that the applicant is not required to disclose their race or ethnicity, gender, native language or level of education, that such applicant will not be penalized for failing to do so, and that the department will use this information solely for statistical purposes that will then be studied in order to ensure continued quality and fairness of the examination.

(2) Every individual applying to take any written examination shall, at the time of applying therefor, pay to the superintendent, or, at the discretion of the superintendent, directly to any organization that is under contract to provide examination services, an examination fee of an amount which is the actual documented administrative cost of conducting said qualifying examination as certified by the superintendent from time to time. An examination fee represents an administrative expense and is not refundable. The superintendent may, whenever in [~~his~~] their judgment it appears advisable in order to determine the competency of any applicant for a renewal license, or of any proposed sub-licensee to be named therein, require such person to pass to the satisfaction of the superintendent, a similar written examination.

(3) The superintendent may issue a license to any person seeking to be named as licensee or sub-licensee who:

(A) has since July first, nineteen hundred twenty-eight, passed the examination given by the superintendent for that insurance **agent's,** broker's **or producer's** license and was licensed as such;

(B) within three years from the date of the receipt of [~~his~~] **their** application was a similarly licensed insurance [~~broker~~] **producer**;

(C) within ten years from the date of the receipt of [~~his~~] **their** application was, in the case of a license under subparagraph (B) of paragraph one of subsection (b) of this section, a similarly licensed insurance [~~broker~~] **producer** and during the period of three years next preceding the receipt of [~~his~~] **their** application was licensed as a property/casualty insurance agent **or producer** and, in the case of a license under subparagraph (A) of paragraph one of subsection (b) of this section, was a similarly licensed insurance broker **or producer** and during the period of three years next preceding the receipt of [~~his~~] **their** application was licensed as a life and accident and health insurance agent **or producer**;

(D) has regularly and continuously acted, in the case of a license under subparagraph (B) of paragraph one of subsection (b) of this section, as a licensed resident property/casualty and accident and health insurance agent **or producer** and, in the case of a license under subparagraph (A) of paragraph one of subsection (b) of this section, acted as a licensed life and accident and health insurance agent **or producer** for a period of at least five years immediately preceding the date of receipt of [~~his~~] **their** application;

(E) is a non-resident insurance [~~broker~~] **producer** for similar lines;

(F) served as a member of the armed forces of the United States at any time, and shall (i) have been discharged under conditions other than dishonorable, or (ii) has a qualifying condition, as defined in section one of the veterans' services law, and has received a discharge other than bad conduct or dishonorable from such service, or (iii) is a discharged LGBT veteran, as defined in section one of the veterans' services law, and has received a discharge other than bad conduct or dishonorable from such service, and who within three years prior to [~~his or her~~] **their** entry into the armed forces held a license as insurance broker for similar lines, provided [~~his or her~~] **their** application for such license is filed before one year from the date of final discharge; or

(G) was previously licensed for the same line or lines of authority in another state, provided, however, that the applicant's home state grants non-resident licenses to residents of this state on the same basis. Such individual shall also not be required to complete any prelicensing education. This exemption is only available if the person is currently licensed in that state or if the application is received within ninety days of the date of cancellation of the applicant's previous license and if the prior state issues a certification that, at the time of cancellation, the applicant was in good standing in that state or the state's producer database records, maintained by the National Association of Insurance Commissioners, its affiliates or subsidiaries, indicate that the producer is or was licensed in good standing for the line of authority requested. An individual or entity licensed in another state who moves to this state shall make an application within ninety days of establishing legal residence to become a resident licensee. No prelicensing education or examination shall be required of that person to

obtain any line of authority previously held in the prior state except where the superintendent determines otherwise by regulation.

(f) (1) At the time of application for every such license, and for every biennial renewal thereof, there shall be paid to the superintendent for each individual applicant and for each proposed sub-licensee the sum of forty dollars for each year or fraction of a year in which a license shall be valid. If, however, the applicant or a proposed sub-licensee should withdraw [~~his~~] **their** or its application or the superintendent should deny [~~his~~] **their** or its application before the license applied for is issued, the superintendent may refund the fee paid by the applicant for the license applied for, excepting any examination fees required pursuant to subsection (e) of this section.

(2) No license fee shall be required of any person who served as a member of the armed forces of the United States at any time, and who (A) shall have been discharged, under conditions other than dishonorable, or (B) has a qualifying condition, as defined in section one of the veterans' services law, and has received a discharge other than bad conduct or dishonorable from such service, or (C) is a discharged LGBT veteran, as defined in section one of the veterans' services law, and has received a discharge other than bad conduct or dishonorable from such service, in a current licensing period, for the duration of such period.

(g) (1) Every insurance [~~broker's~~] **producer's** license issued pursuant to this section to a business entity shall be for a term expiring on the thirtieth day of June of odd-numbered years. On and after January first, two thousand seven, every license issued pursuant to this section to an individual, and every license in effect prior to January first, two thousand seven that was issued pursuant to this section to an individual, who was born in an odd numbered year, shall expire on the individual's birthday in each odd numbered year. On and after January first, two thousand seven, every license issued pursuant to this section to an individual, and every license in effect prior to January first, two thousand seven that was issued pursuant to this section to an individual, who was born in an even numbered year, shall expire on the individual's birthday in each even numbered year. Every such license may be renewed for the ensuing period of twenty-four months upon the filing of an application in conformity with this section. In the case of a license issued to a new applicant, the superintendent may issue a license for a term of more than two years, provided however, such term shall not exceed thirty months. The superintendent may issue such rules and regulations as the superintendent deems necessary to implement the terms of this subsection including regulations providing that, prior to July first, two thousand twenty-three, the registration fees and continuing education requirements for the renewal of any license issued to a business entity pursuant to this subsection for a period that is more than twenty-four months may be increased in proportion to the length of the period of licensure.

(2) An application for a renewal license shall be filed with the superintendent not less than sixty days prior to the date the license expires or the applicant shall be required to pay, in addition to the fee required in subsection (f) of this section, a further fee for late filing of ten dollars.

(3) If an application for a renewal license shall have been filed with the superintendent before the expiration of such license, the license sought to be renewed shall continue in full force and effect either until the issuance by the superintendent of the renewal license applied for or until five days after the superintendent shall have refused to

issue such renewal license and given notice of such refusal to the applicant and to each proposed sub-licensee.

(4) Before refusing to renew any such license, except on the ground of failure to pass a written examination required pursuant to subsection (e) hereof, the superintendent shall notify the applicant of [~~his~~] **their** intention so to do and shall give such applicant a hearing.

(5) (A) The superintendent may in issuing a renewal license dispense with the requirement of a verified application by any individual licensee or sub-licensee who, by reason of being engaged in any military service for the United States, is unable to make personal application for such renewal license, upon the filing of an application on behalf of such individual, in such form as the superintendent shall prescribe, by some person or persons who in [~~his~~] **their** judgment have knowledge of the facts and who make affidavit showing such military service and the inability of such insurance broker to make personal application.

(B) An individual licensee or sub-licensee who is unable to comply with license renewal procedures due to other extenuating circumstances, such as a long-term medical disability, may request a waiver of such procedures, in such form as the superintendent shall prescribe. The licensee or sub-licensee may also request a waiver of any examination requirement or any other fine or sanction imposed for failure to comply with renewal procedures.

(h) Any corporation, association or firm licensed as an insurance [~~broker~~] **producer** under this section may at any time make an application to the superintendent for the issuance of a supplemental license authorizing additional officers or directors of such corporation, or additional members of such firm or association, as the case may be, to act as sub-licensees, and, if the requirements of this section are fully complied with as to each of such proposed sub-licensees, the superintendent may issue to such licensee a supplemental license naming such additional person or persons as sub-licensees.

(i) If an application for a license under this section be rejected, or if such a license be suspended or revoked by the superintendent, [~~he~~] **such superintendent** shall forthwith give notice thereof to the applicant, or to the licensee.

(j) The superintendent may issue a replacement for a currently in force license which has been lost or destroyed. Before such replacement license shall be issued, there shall be on file in the office of the superintendent a written application for such replacement license, affirming under penalty of perjury that the original license has been lost or destroyed, together with a fee of fifteen dollars.

§ 8. The section heading and subsections (a) and (c) of section 2109 of the insurance law, subsection (a) as amended by section 4 and subsection (c) as amended by section 5 of part V of chapter 57 of the laws of 2014, are amended to read as follows:

[~~Agents and brokers~~] **Producers and title insurance agents**; temporary license in case of death, service in armed forces or disability. (a) The superintendent may issue a temporary insurance [~~agent's~~] **producer's** license[~~,~~] **or** title insurance agent's license [~~or insurance broker's license, or both an insurance agent's and insurance broker's license,~~] without requiring the applicant to pass a written examination or to satisfy the requirements of subsection (c) of section two thousand one hundred four of this article except as to age, in the case of a license issued pursuant to paragraph two of this subsection, in the following cases:

(1) in the case of the death of a person who at the time of [~~his~~] their death was a licensed accident and health insurance [~~agent~~] producer under subsection (a) of section two thousand one hundred [~~three~~] four of this article, [~~a licensed insurance agent~~] or licensed title insurance agent under [~~subsection (b) of such section or a licensed insurance broker~~] section two thousand one hundred thirty-nine of this article:

(A) to the executor or administrator of the estate of such deceased [~~agent or broker~~] producer;

(B) to a surviving next of kin of such deceased [~~agent or broker~~] producer, where no administrator of [~~his~~] their estate has been appointed and no executor has qualified under [~~his~~] their duly probated will;

(C) to the surviving member or members of a firm or association, which at the time of the death of a member was such a licensed insurance [~~agent,~~] producer or licensed title insurance agent [~~or licensed insurance broker~~]; or

(D) to an officer or director of a corporation upon the death of the only officer or director who was qualified as a sub-licensee or to the executor or administrator of the estate of such deceased officer or director;

(2) to any person who may be designated by a person licensed pursuant to this chapter as an insurance [~~agent,~~] producer or title insurance agent [~~or an insurance broker, or both an insurance agent and insurance broker~~], and who is absent because of service in any branch of the armed forces of the United States, including a partnership or corporation that is licensed pursuant to this chapter as an insurance [~~agent,~~] producer or title insurance agent [~~or as an insurance broker, or both an insurance agent and insurance broker~~], in a case where the sub-licensee or all sub-licensees, if more than one, named in the license or licenses issued to such partnership or corporation is or are absent because of service in any branch of the armed forces of the United States; and

(3) to the next of kin of a person who has become totally disabled and prevented from pursuing any of the duties of [~~his or her~~] their occupation, and who at the commencement of [~~his or her~~] their disability was a licensed accident and health insurance [~~agent~~] producer under subsection (a) of section two thousand one hundred [~~three~~] four of this article[~~, a licensed insurance agent under subsection (b) of such section,~~] or a licensed title insurance agent [~~or a licensed insurance broker~~].

(c) Such license or licenses shall authorize the person or persons named therein to renew the business of the deceased, absent or disabled insurance [~~agent,~~] producer or title insurance agent, [~~or insurance broker, or both an insurance agent and insurance broker,~~] as the case may be, or of the firm or, in the case of a license issued pursuant to paragraph one or three of subsection (a) of this section, the association whose business is being continued thereunder, each such [~~agent or broker~~] producer being referred to in this section as "original licensee", expiring during the period in which such temporary license or licenses are in force, to collect premiums due and payable to the original licensee or, in the case of a license issued pursuant to paragraph one of subsection (a) of this section, to [~~his or her~~] their estate, and to perform such other acts as an insurance [~~agent,~~] producer or a title insurance agent [~~or an insurance broker, or both an insurance agent or insurance broker~~], as the case may be, as are incidental to the continuance of the insurance business of such original licensee.

§ 9. Paragraph 1 of subsection (f) of section 2110 of the insurance law, as amended by chapter 687 of the laws of 2003, is amended to read as follows:

(1) As used in this subsection, "non-resident insurance producer's license or sub-license" means a license or sub-license in such capacity issued pursuant to [~~paragraph five of subsection (g) of section two thousand one hundred three or~~] subsection (e) of section two thousand one hundred four of this article.

§ 10. Section 2114 of the insurance law, paragraph 1 of subsection (a) as amended by chapter 505 of the laws of 2000, paragraph 3 of subsection (a) and subsection (b) as amended by chapter 687 of the laws of 2003, paragraph 4 of subsection (a) as added by chapter 418 of the laws of 2000, is amended to read as follows:

§ 2114. Life, accident and health insurance [~~agents~~] **producers**; commissions. (a) (1) No insurer or fraternal benefit society doing business in this state shall pay any commission or other compensation to any person, firm or corporation, for any services in obtaining in this state any new contract of life insurance or any new annuity contract, except to a licensed life insurance **producer appointed as** agent of such insurer or of such society or [~~to~~] **acting as** an insurance broker [~~licensed under subparagraph (A) of paragraph one of subsection (b) of section two thousand one hundred four of this article~~], and except to a person described in paragraph two or three of subsection (a) of section two thousand one hundred one of this article.

(2) No agent or other representative of any such life insurer or fraternal benefit society shall pay any commission or other compensation to any person for any services of the kind specified in paragraph one hereof, except to a licensed life insurance **producer appointed as** agent of such insurer or of such society as the case may be.

(3) No insurer, fraternal benefit society or health maintenance organization doing business in this state and no agent or other representative thereof shall pay any commission or other compensation to any person, firm, association or corporation for services in soliciting, negotiating or selling in this state any new contract of accident or health insurance or any new health maintenance organization contract, except to a licensed accident and health insurance **producer appointed as** agent of such insurer, such society or health maintenance organization, or to a licensed insurance broker of this state, and except to a person described in paragraph two or three of subsection (a) of section two thousand one hundred one of this article.

(4) Services of the kind specified in this subsection shall not include the referral of a person to a licensed insurance [~~agent or broker~~] **producer** that does not include a discussion of specific insurance policy terms and conditions and where the compensation for referral is not based upon the purchase of insurance by such person.

(b) If any licensed life insurance [~~agent~~] **producer** who or which has received an application for a life insurance or annuity contract is unable after reasonable diligence to obtain all or any part of such insurance from the life insurer or insurers which [~~he~~] **such producer** or it is licensed to represent, such [~~agent~~] **producer** may solicit, negotiate or sell such insurance, to the extent to which it is declined by such insurer or insurers, from any other authorized life insurer or insurers, with the consent of the person making such application; but no such [~~agent~~] **producer** shall receive any commission or other compensation for [~~his~~] **their** services in connection therewith from any insurer unless

[~~he~~] **such producer** is licensed as agent of such insurer at the time when [~~he~~] **such producer** receives such compensation.

§ 11. Subsections (a) and (c) of section 2115 of the insurance law, paragraph 1 of subsection (a) as amended by chapter 418 of the laws of 2000, are amended to read as follows:

(a) (1) No insurer doing business in this state, and no agent or other representative thereof, except as provided in subsection (b) hereof, shall pay any commission or other compensation to any person, firm, association or corporation for acting as insurance [~~agent~~] **producer** in this state, except to a licensed insurance [~~agent of such insurer~~] **producer** or to a person described in paragraph two or four of subsection (a) of section two thousand one hundred one of this article or except as provided in subsection (c) of this section. For the purposes of this section, "acting as insurance [~~agent~~] **producer**" shall not include the referral of a person to a licensed insurance [~~agent or broker~~] **producer** that does not include a discussion of specific insurance policy terms and conditions and where the compensation for referral is not based upon the purchase of insurance by such person.

(2) The term "licensed insurance [~~agent~~] **producer**" as used in this subsection includes any [~~agent~~] **producer** authorized to act as such by a license issued and in force pursuant to the provisions of subsection (b) of section two thousand one hundred [~~three~~] **four** of this article or authorized to act as such in connection with contracts for disability benefits pursuant to the provisions of [~~subsection (n) of~~] such section.

(c) An insurer participating in a plan for assignment of personal injury liability insurance or property damage liability insurance pursuant to article fifty-three of this chapter, or participating in a reinsurance agreement for the writing of bonds to the state of New York under the alcoholic beverage control law, which plan or reinsurance agreement has been approved by the superintendent, may pay a commission to an adequately qualified [~~agent~~] **licensed producer** who is [~~licensed~~] **appointed** to act as agent for any insurer participating in such plan or reinsurance agreement when such [~~agent~~] **producer** is designated by the assured as the producer of record under the automobile assigned risk plan pursuant to which a policy is issued, or where such [~~agent~~] **producer** submits an application for a bond pursuant to which such bond is issued under such reinsurance agreement.

§ 12. Paragraph 1 of subsection (a) of section 2115 of the insurance law, as amended by chapter 805 of the laws of 1984, is amended to read as follows:

(1) No insurer doing business in this state, and no agent or other representative thereof, except as provided in subsection (b) hereof, shall pay any commission or other compensation to any person, firm, association or corporation for acting as insurance [~~agent~~] **producer** in this state, except to a licensed insurance [~~agent of such insurer~~] **producer** or to a person described in paragraph two or four of subsection (a) of section two thousand one hundred one of this article or except as provided in subsection (c) of this section.

§ 13. Section 2116 of the insurance law is REPEALED.

§ 14. The section heading and subsections (a), (b), (c) and (d) of section 2119 of the insurance law, the section heading as amended by section 9 of part V of chapter 57 of the laws of 2014, paragraph 1 of subsection (c) and subsection (d) as amended by chapter 687 of the laws of 2003, paragraph 4 of subsection (c) as amended by chapter 368 of the laws of 1984, are amended to read as follows:

Insurance [~~agents, brokers~~] **producers**, consultants, life settlement brokers, and title insurance agents; written contract for compensation; excess charges prohibited.

(a) (1) No person licensed as an insurance [~~agent, broker~~] **producer** or consultant may receive any fee, commission or thing of value for examining, appraising, reviewing or evaluating any insurance policy, bond, annuity or pension or profit-sharing contract, plan or program or for making recommendations or giving advice with regard to any of the above, unless such compensation is based upon a written memorandum signed by the party to be charged and specifying or clearly defining the amount or extent of such compensation.

(2) A copy of every such memorandum or contract shall be retained by the licensee for not less than three years after such services have been fully performed.

(b) (1) No person licensed as an insurance [~~agent, broker~~] **producer** or a consultant may receive any compensation, direct or indirect, as a result of the sale of insurance or annuities to, or the use of securities or trusts in connection with pensions for, any person to whom any such licensee has performed any related consulting service for which [~~he~~] **such person** has received a fee or contracted to receive a fee within the preceding twelve months unless such compensation is provided for in the memorandum or contract required pursuant to subsection (a) hereof.

(2) This chapter shall not prohibit the offset, in whole or in part, of compensation payable under subsection (a) hereof by compensation otherwise payable to such consultant as [~~agent or broker~~] **producer** as a result of such sale of insurance or annuities or the use of securities or trusts in connection with pensions, if any such offset is provided for in the written memorandum or contract required under subsection (a) hereof.

(c) (1) No insurance [~~broker~~] **producer** may receive any compensation, other than commissions deductible from premiums on insurance policies or contracts, from any insured or prospective insured for or on account of the sale, solicitation or negotiation of, or other services in connection with, any contract of insurance made or negotiated in this state or for any other services on account of such insurance policies or contracts, including adjustment of claims arising therefrom, unless such compensation is based upon a written memorandum, signed by the party to be charged, and specifying or clearly defining the amount or extent of such compensation.

(2) A copy of every such memorandum shall be retained by the [~~broker~~] **producer** for not less than three years after such services have been fully performed.

(3) This subsection shall not affect the right of any such [~~broker~~] **producer** to recover from the insured the amount of any premium or premiums for insurance effectuated by or through such [~~broker~~] **producer**.

(4) This subsection shall not affect the requirements of subsection (a) or (b) hereof, subsection (g) of section two thousand one hundred one or section two thousand one hundred eight of this article.

(d) No insurance [~~broker~~] **producer** shall, in connection with the sale, solicitation or negotiation, issuance, delivery or transfer in this state of any contract of insurance made or negotiated in this state, directly or indirectly charge, or receive from, the insured or prospective insured therein any greater sum than the rate of premium fixed therefor by the insurer obligated as such therein, unless such [~~broker~~]

producer has a right to compensation for services created in the manner specified in subsection (c) of this section.

§ 15. Section 2129 of the insurance law, as amended by chapter 556 of the laws of 1996, is amended to read as follows:

§ 2129. Duty to have [~~an agent or broker~~] a producer at each place of business. (a) Each place of business established by the holder of [~~an agent and/or broker~~] a producer license shall be under the supervision of one or more persons licensed to do the kinds of business transacted in that office. The headquarters location must be supervised by one or more persons licensed to do all the kinds of business for which the licensee is authorized. Any satellite office established by a licensee must be supervised by one or more persons licensed to do the kinds of business to be transacted in that office.

(b) Written notice shall be given to the superintendent containing the location of each satellite office and the licensed person or persons responsible for each satellite office.

§ 16. Subparagraph (A) of paragraph 2 of subsection (e), paragraph 4 of subsection (h) and subsection (j) of section 2131 of the insurance law, subparagraph (A) of paragraph 2 of subsection (e) and paragraph 4 of subsection (h) as amended by chapter 368 of the laws of 2010, and subsection (j) as amended by chapter 582 of the laws of 2003, are amended to read as follows:

(A) summarize, clearly and correctly, the material terms of insurance coverage, including the identity of the insurer and, with regard to wireless communications equipment insurance, the [~~agent~~] producer licensed under subsection (b) of section two thousand one hundred [~~three~~] four of this article;

(4) with regard to wireless communications equipment insurance and self-service storage company insurance, training materials may be developed and provided by [~~an agent~~] a producer licensed pursuant to subsection (b) of section two thousand one hundred [~~three~~] four of this article.

(j) No limited licensees under this section shall advertise, represent or otherwise hold itself or any of its employees themselves out as licensed insurance [~~agents or brokers~~] producers.

§ 17. Paragraph 2 of subsection (c) of section 2132 of the insurance law, as amended by chapter 264 of the laws of 1998, is amended to read as follows:

(2) During the same calendar year biennial licensing period, a licensee may use accumulated continuing education credits to meet the requirements of similar classes of licenses, as follows: (A) subsection (a) of section two thousand one hundred [~~three~~] four and section two thousand one hundred seven of this article with respect to life insurance consultants; or (B) subsection (b) of [~~section two thousand one hundred three,~~] section two thousand one hundred four, section two thousand one hundred seven of this article with respect to general insurance consultants, and section two thousand one hundred eight of this article with respect to public adjusters.

§ 18. Paragraph 2 of subsection (b) of section 2202 of the insurance law is amended to read as follows:

(2) No individual shall be qualified to take the examination unless he possesses the same qualifications regarding insurance course requirements as those required pursuant to subparagraph (A) of paragraph [~~two~~] one of subsection [~~(f)~~] (c) of section two thousand one hundred [~~three~~] four of this chapter for [~~agent~~] producer licensing pursuant to such section.

§ 19. Subsection (f) of section 4236 of the insurance law is amended to read as follows:

(f) Such association may solicit the sale of such health insurance through any [~~insurance agent licensed pursuant to section two thousand one hundred three of this chapter and any~~] insurance [~~broker~~] **producer** licensed pursuant to section two thousand one hundred four of this chapter. It shall not pay to such [~~agent or broker~~] **producer** or any other person any commission, compensation or other fee or allowance not in accordance with a schedule thereof which shall have been filed by it with and approved by the superintendent. Except as aforesaid, it shall not pay any commission, compensation, fee or allowance to any person but it may pay a salary or compensation to persons regularly employed by it.

§ 20. Subsection (c) of section 4525 of the insurance law, as amended by chapter 289 of the laws of 2009, is amended to read as follows:

(c) section one thousand one hundred one, subsections (a) and (g) of section one thousand one hundred two, sections one thousand one hundred three, one thousand one hundred five, one thousand one hundred six, one thousand one hundred eight, one thousand one hundred twelve, paragraphs one, two and three of subsection (a) of section one thousand one hundred thirteen, sections one thousand two hundred five, one thousand two hundred twelve, one thousand two hundred seventeen, and one thousand three hundred twenty-two, subsections (a), (b), (d) and (e) of section two thousand one hundred one, subsection (a) of section two thousand one hundred two, subsection (a) and subsections (c) through (m) of section two thousand one hundred three, subsections (a) through (e) of section two thousand one hundred nine, subsections (a), (b) and (d) through (f) of section two thousand one hundred ten, sections two thousand one hundred twelve, two thousand one hundred fourteen [~~and two thousand one hundred sixteen~~], subsections (a), (b), (c) and (e) through (h) of section two thousand one hundred seventeen, subsections (a) and (c) of section two thousand one hundred twenty, sections two thousand one hundred twenty-two, two thousand one hundred twenty-three, and two thousand one hundred twenty-four, subsection (b) of section two thousand three hundred seven, sections three thousand one hundred three, three thousand one hundred five, three thousand one hundred six, three thousand one hundred ten, three thousand two hundred one, three thousand two hundred two, three thousand two hundred five, three thousand two hundred seven, three thousand two hundred nine through three thousand two hundred twelve, three thousand two hundred fourteen, four thousand two hundred thirteen, four thousand two hundred twenty-six, four thousand two hundred forty-one, seven thousand three hundred one, seven thousand three hundred three and seven thousand three hundred four; and

§ 21. Section 6505 of the insurance law, as amended by chapter 285 of the laws of 1993, is amended to read as follows:

§ 6505. Licensing of agents. The standards in subsections (d) through (k), (m) and [~~(o)~~] **(n)** of section two thousand one hundred three of this chapter shall apply to the licensing of agents for a mortgage insurer. Such license may be limited to mortgage guaranty insurance. In such event, the superintendent may, in [~~his~~] **their** discretion, provide a special examination for such license.

§ 22. This act shall take effect on the first of January next succeeding the date on which it shall have become a law:

1. provided, however, that the amendments to paragraph 4 of subsection (a) of section 2114 of the insurance law made by section ten of this act shall not affect the repeal of such paragraph and shall be deemed repealed therewith;

2. provided further, however, that the amendments to paragraph 1 of subsection (a) of section 2115 of the insurance law made by section eleven of this act shall be subject to the expiration and reversion of such subdivision pursuant to section 12 of chapter 418 of the laws of 2000, as amended, when upon such date the provisions of section twelve of this act shall take effect;

3. all licenses issued prior to the effective date of this act shall remain in effect under terms and conditions that applied upon issuance until their scheduled expiration. Upon renewal, all such licenses shall be subject to the requirements and provisions of this act at the time of such renewal.