

By: Creighton

S.B. No. 520

A BILL TO BE ENTITLED

AN ACT

relating to provisional permits for certain insurance agents.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 4001.351, Insurance Code, is amended to read as follows:

Sec. 4001.351. APPLICABILITY. This subchapter applies only to an applicant for a license as an agent under:

(1) Subchapters B and E, Chapter 4051; and

(2) Subchapters B, D, ~~and~~ E, and G, Chapter 4054.

SECTION 2. Section 4001.353(a), Insurance Code, is amended to read as follows:

(a) The department may issue a provisional permit under this subchapter on receipt of:

(1) a written application for a provisional permit;

(2) a properly completed license application, nonrefundable fee, and each other item required for a license under this chapter and Subchapter B or E, Chapter 4051, or Subchapter B, D, ~~or~~ E, or G, Chapter 4054, as applicable;

(3) the nonrefundable fee in an amount authorized by Subsection (c); and

(4) a certificate signed by the appointing agent, insurer, or health maintenance organization stating that:

(A) the applicant completed the training, if any, and passed the examination required for the issuance of the license

1 for which the application is submitted;

2 (B) the appointing agent, insurer, or health  
3 maintenance organization completed a background check on the  
4 applicant that shows that the applicant has not been convicted of:

5 (i) a felony; or

6 (ii) an act that requires the applicant to  
7 receive written consent under 18 U.S.C. Section 1033 to engage in  
8 the business of insurance;

9 (C) the applicant has not responded  
10 affirmatively to any question on the license application that  
11 indicates the applicant has a criminal conviction or has been  
12 involved in an administrative action that may disqualify the  
13 applicant from receiving a license; and

14 (D) the appointing agent, insurer, or health  
15 maintenance organization will supervise the work of the applicant.

16 SECTION 3. This Act takes effect September 1, 2017.