

CHAPTER 145

INSURANCE

HOUSE BILL 94-1347

BY REPRESENTATIVE Schauer;
also SENATOR Bishop.**AN ACT****CONCERNING THE LICENSING OF REPRESENTATIVES OF FRATERNAL BENEFIT SOCIETIES.***Be it enacted by the General Assembly of the State of Colorado:*

SECTION 1. 10-2-401 (3), Colorado Revised Statutes, 1987 Repl. Vol., as amended, as it will become effective January 1, 1995, is amended to read:

10-2-401. License required. (3) (a) Any representative of a fraternal benefit society who solicits and negotiates insurance contracts is an insurance producer and is subject to the same licensing requirements as those for an insurance producer; except that a license is not required of any officer, employee, or secretary of a fraternal benefit society or of a subordinate lodge or branch thereof who devotes substantially all of his or her time to activities other than the solicitation or negotiation of insurance contracts and who receives no commission or other compensation directly dependent upon the number or amount of insurance contracts solicited or negotiated.

(b) ANY AGENT, REPRESENTATIVE, OR MEMBER OF A FRATERNAL BENEFIT SOCIETY WHO IN THE PRECEDING CALENDAR YEAR SOLICITED AND PROCURED LIFE INSURANCE CONTRACTS ON BEHALF OF ANY SOCIETY IN A FACE AMOUNT OF INSURANCE NOT EXCEEDING FIFTY THOUSAND DOLLARS OR, IN THE CASE OF ANY OTHER KIND OF INSURANCE THAT THE FRATERNAL BENEFIT SOCIETY MAY WRITE, SOLICITED AND PROCURED SUCH INSURANCE ON BEHALF OF NOT MORE THAN TWENTY-FIVE INDIVIDUALS, WHO RECEIVED NO COMMISSIONS OR OTHER COMPENSATION THEREFOR, AND WHO DOES NOT REASONABLY EXPECT TO EXCEED SOLICITING OR PROCURING INSURANCE ON BEHALF OF MORE THAN TWENTY-FIVE INDIVIDUALS IN THE CURRENT YEAR, SHALL BE EXEMPT FROM THE LICENSING REQUIREMENTS FOR AN INSURANCE PRODUCER.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

SECTION 2. 10-14-611, Colorado Revised Statutes, 1987 Repl. Vol., as amended, as it will become effective January 1, 1995, is amended to read:

10-14-611. Licensing of agents. Agents of societies shall be licensed in accordance with the statutory provisions regulating the licensing, revocation, suspension, or termination of a license of resident and nonresident agents as provided in part 4 of article 2 of this title, and subject to the exceptions provided in section ~~10-2-217~~ 10-2-401 (3).

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: April 19, 1994