

## CHAPTER 71

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**INSURANCE**


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**HOUSE BILL 08-1213**

BY REPRESENTATIVE(S) Liston, Buescher, Garza-Hicks, McFadyen, Soper, Swalm, Carroll M., and Labuda;  
also SENATOR(S) Tochtrop.

**AN ACT**

**CONCERNING THE CONTINUATION OF THE REGULATION OF INSURANCE PRODUCERS BY THE DIVISION OF INSURANCE, AND, IN CONNECTION THEREWITH, CONTINUING THE FUNCTIONS OF THE DIVISION OF INSURANCE RELATED TO THE LICENSING OF INSURANCE PRODUCERS UNTIL JULY 1, 2019; ALLOWING INSURANCE PRODUCERS TO OBTAIN NEW CROP HAIL LINES OF AUTHORITY; ELIMINATING THE REQUIREMENT THAT THE COMMISSIONER OF INSURANCE REJECT THE REGISTRATION OF ANY INSURANCE PRODUCER WHOSE NAME IS SIMILAR TO THAT OF ANOTHER REGISTERED INSURANCE PRODUCER; AND PRECLUDING AN INSURANCE PRODUCER WHOSE LICENSE HAS BEEN REVOKED OR SURRENDERED TO AVOID DISCIPLINE FROM APPLYING FOR A NEW LICENSE FOR TWO YEARS AFTER THE REVOCATION OR SURRENDER.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** 10-1-103 (6) (b) (I) (C), Colorado Revised Statutes, is amended to read:

**10-1-103. Division of insurance - subject to termination - repeal of functions.** (6) (b) (I) (C) The functions of the division of insurance related to the licensing of insurance producers are repealed, effective ~~July 1, 2008~~ JULY 1, 2019, pursuant to the provisions of this section and section 24-34-104, ~~(39)~~; C.R.S.

**SECTION 2.** 10-2-402 (11), Colorado Revised Statutes, is amended to read:

**10-2-402. License examination requirement.** (11) An insurance producer license issued on or before January 1, 2002, for ~~crop-hail~~; health maintenance organizations ("HMO") or nonprofits may be renewed or continued until the licensee fails to meet the requirements of this part 4.

**SECTION 3.** 10-2-407 (1) (h), Colorado Revised Statutes, is amended to read:

**10-2-407. License - definitions of lines of insurance - authority.** (1) Unless

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

denied licensure pursuant to section 10-2-801 or 12-7-106, C.R.S., a person who has met the requirements of sections 10-2-401, 10-2-404, 12-7-102, or 12-7-103, C.R.S., may be issued an insurance producer license. An insurance producer may receive qualification for a single license to include one or more of the following lines of authority:

(h) Crop hail; ~~except that no person shall be issued a new license for this individual line of authority on or after January 1, 2002, pursuant to section 10-2-402;~~

**SECTION 4.** 10-2-701, Colorado Revised Statutes, is amended to read:

**10-2-701. Assumed names - registration - rules.** Any insurance producer using an assumed name, including without limitation a trade or fictitious name, under which the insurance producer conducts business shall register the name with the insurance commissioner prior to using the assumed name. The commissioner shall not accept registration of any name ~~that is similar to another currently on file~~, that would tend to be misleading to the public or that is identical or similar to the name of any producer whose license has been revoked or suspended. Every insurance producer licensee shall promptly file with the commissioner a written notice of any change in or discontinuation of the use of any name. The commissioner may promulgate all rules necessary and proper to implement the provisions of this section.

**SECTION 5.** 10-2-801, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

**10-2-801. Licenses - denial, suspension, revocation, termination - reporting of actions.** (5) IF THE COMMISSIONER REVOKES THE LICENSE OF AN INSURANCE PRODUCER PURSUANT TO THIS SECTION, OR IF AN INSURANCE PRODUCER SURRENDERS ITS LICENSE TO AVOID DISCIPLINE BY THE COMMISSIONER, THE INSURANCE PRODUCER SHALL NOT BE ELIGIBLE TO APPLY FOR A NEW INSURANCE PRODUCER LICENSE FOR TWO YEARS AFTER THE DATE THE LICENSE IS REVOKED OR SURRENDERED AND RETURNED TO THE COMMISSIONER PURSUANT TO SECTION 10-2-802 (1).

**SECTION 6.** 24-34-104 (39) (b) (XVI), Colorado Revised Statutes, is amended, and the said 24-34-104 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

**24-34-104. General assembly review of regulatory agencies and functions for termination, continuation, or reestablishment.** (39) (b) The following agencies, functions, or both, shall terminate on July 1, 2008:

(XVI) ~~The functions of the division of insurance related to the licensing of insurance producers, pursuant to article 1 of title 10, C.R.S.;~~

(50) THE FOLLOWING AGENCIES, FUNCTIONS, OR BOTH, SHALL TERMINATE ON JULY 1, 2019: THE FUNCTIONS OF THE DIVISION OF INSURANCE RELATED TO THE LICENSING OF INSURANCE PRODUCERS, PURSUANT TO ARTICLE 1 OF TITLE 10, C.R.S.

**SECTION 7. 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: March 26, 2008