

SESSION OF 2026

SUPPLEMENTAL NOTE ON SENATE BILL NO. 422

As Amended by Senate Committee on Financial
Institutions and Insurance

Brief*

SB 422, as amended, would authorize the Department of Insurance (Department) to revoke the license of a nonresident agent who no longer holds a home state license without the requirement of a hearing and by providing 30 days' notice following revocation. The bill would also modify the time frame in which insurance agents and public adjusters must respond to inquiries from the Commissioner of Insurance (Commissioner).

Nonresident Insurance Agent Licensure

The bill would, notwithstanding any other provision of the Uniform Insurance Licensing Act, provide for a nonresident license to be revoked without notice and a hearing 30 days after the Commissioner receives notification that the nonresident licensee no longer holds a home state license. The Commissioner would be required to provide notice to the nonresident agent within 30 days following the date of revocation. The bill would not confer the right of a hearing on any nonresident whose license has been revoked.

Response Deadline

The bill would require insurance agents and public adjusters to respond to an inquiry from the Commissioner regarding a complaint or a particular matter within 14

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <https://klrd.gov/>

calendar days. The Commissioner would be allowed to deny, suspend, revoke, or refuse renewal of any license under the Uniform Insurance Agents Licensing Act or Public Adjusters Licensing Act for failure to respond to an inquiry within 14 calendar days.

The bill would also make technical amendments.

Background

The bill was introduced by the Senate Committee on Financial Institutions and Insurance at the request of a representative of the Department.

Senate Committee on Financial Institutions and Insurance

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Department, who stated that 2025 SB 42 only applied the 14 calendar day time frame for responding to an inquiry regarding a consumer complaint from the Commissioner to insurance companies. This leaves insurance agents and public adjusters with a deadline of 15 business days, and the Department would like to establish a uniform deadline of 14 calendar days for all. The conferee also stated that the bill would provide for nonresident agents who fail to maintain a home state license to resolve that issue with the home state rather than require the Department to hold a hearing, streamlining the process.

No other testimony was provided.

The Senate Committee amended the bill to:

- Provide for the Commissioner to inform a nonresident agent within 30 days of the revocation of their license;

- Clarify that the bill does not confer the right of a hearing on any nonresident agent whose license has been revoked; and
- Provide for the Commissioner to waive the requirement that a nonresident agent must wait two years after the license was revoked to reapply for licensure if the revocation was related to payment of fees.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Department states that the bill would not have a fiscal effect because the changes in the bill would be handled by current staff and resources.

Insurance; foreign insurance companies; nonresident agent;
licensure; public adjusters