

**SENATE BILL No. 28**

By Committee on Financial Institutions and Insurance

1-16

Technical Amendment to SB 28  
For Senate Committee on Financial Institutions  
and Insurance  
Prepared by Eileen Ma  
Office of Revisor of Statutes  
February 3, 2028

1 AN ACT concerning insurance; relating to licensing requirements for  
2 insurance agents and public adjusters; pertaining to suspension,  
3 revocation, denial of licensure and licensure renewal; amending K.S.A.  
4 40-5510 and K.S.A. 2024 Supp. 40-4909 and repealing the existing  
5 sections.  
6

7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. K.S.A. 2024 Supp. 40-4909 is hereby amended to read as  
9 follows: 40-4909. (a) The commissioner may deny, suspend, revoke or  
10 refuse renewal of any license issued under this act if the commissioner  
11 finds that the applicant or license holder has:

12 (1) Provided incorrect, misleading, incomplete or untrue information  
13 in the license application.

14 (2) Violated:

15 (A) Any provision of chapter 40 of the Kansas Statutes Annotated,  
16 and amendments thereto, or any rules and regulations promulgated  
17 thereunder;

18 (B) any subpoena or order of the commissioner;

19 (C) any insurance law or regulation of another state; or

20 (D) any subpoena or order issued by the regulatory official for  
21 insurance in another state.

22 (3) Obtained or attempted to obtain a license under this act through  
23 misrepresentation or fraud.

24 (4) Improperly withheld, misappropriated or converted any moneys  
25 or properties received in the course of doing insurance business.

26 (5) Intentionally misrepresented the provisions, terms and conditions  
27 of an actual or proposed insurance contract or application for insurance.

28 (6) Been convicted of a misdemeanor or felony.

29 (7) Admitted to or been found to have committed any insurance  
30 unfair trade practice or fraud in violation of K.S.A. 40-2404, and  
31 amendments thereto.

32 (8) Used any fraudulent, coercive, or dishonest practice, or  
33 demonstrated any incompetence, untrustworthiness or financial  
34 irresponsibility in the conduct of business in this state or elsewhere.

35 (9) Had an insurance agent license, *public adjuster license, securities*  
36 *registration, or its* ~~its~~ *their* equivalent, denied, suspended or revoked in any

1 misrepresentation or fraud;

2 (4) misappropriating, converting or improperly withholding any  
3 monies or properties received in the course of doing insurance business;

4 (5) intentionally misrepresenting the terms of an actual or proposed  
5 insurance contract or application for insurance;

6 (6) having been convicted of a misdemeanor or felony;

7 (7) having admitted or committed any insurance unfair trade practice  
8 or insurance fraud;

9 (8) using fraudulent, coercive or dishonest practices or demonstrating  
10 incompetence, untrustworthiness or financial irresponsibility in the  
11 conduct of business in this state or elsewhere;

12 (9) having an insurance license, *public adjuster license, securities*  
13 *registration* or ~~its~~ *their* equivalent, denied, suspended or revoked in any  
14 other state, province, district or territory;

15 (10) forging another's name to an application for insurance or to any  
16 document related to an insurance transaction;

17 (11) cheating, including improperly using notes or any other  
18 reference material, to complete an examination for an insurance license;

19 (12) knowingly accepting insurance business from an individual who  
20 is not licensed but who is required to be licensed by the commissioner;

21 (13) failing to comply with an administrative or court order imposing  
22 a child support obligation upon the applicant or license holder; ~~or~~

23 (14) failing to pay state income tax or comply with any administrative  
24 or court order directing payment of state income tax; *or*

25 (15) *failing to respond to an inquiry from the commissioner within 15*  
26 *days.*

business

27 (b) In addition, the commissioner may deny, suspend, revoke or  
28 refuse renewal of a public adjuster's license if the commissioner finds that  
29 the interests of the public are not properly served under such license. Any  
30 action taken under this section which affects any license or imposes any  
31 administrative penalty shall be taken only after notice and an opportunity  
32 for a hearing conducted in accordance with the Kansas administrative  
33 procedure act.

34 (c) In lieu of any action under subsection (a), the commissioner may:

35 (1) Censure the individual; or

36 (2) issue an order imposing an administrative penalty up to a  
37 maximum of \$500 for each violation, but not to exceed \$2,500 for the  
38 same violation occurring within any six consecutive calendar months from  
39 the date of the original violation, unless such person knew or should have  
40 known that the violative act could give rise to disciplinary action under  
41 subsection (a). If such person knew or reasonably should have known the  
42 violative act could give rise to any disciplinary proceeding authorized by  
43 subsection (a), the commissioner may impose a penalty up to a maximum