

# Producer Licensing Reform Implementation FAQ

Questions about the contents of this document can be addressed to the Kansas Insurance Department Producer Licensing Division at 785-296-7862 or [KID.Licensing@ks.gov](mailto:KID.Licensing@ks.gov). Additional information can be found at <https://insurance.kansas.gov/producer-licensing/>. Updated 02/16/2022.

## **Background on 2021-2022 Kansas Producer Licensing Reform:**

[Senate Bill 37](#) was passed by the Kansas Legislature in 2021. The bill updated many aspects of the statutes governing the licensing of insurance producers and business entities (agencies) in Kansas. These changes allowed the Kansas Insurance Department to reform its licensing processes and to migrate from an in-house legacy system, which relied largely on submission of paper forms and manual processing, to using the National Insurance Producer Registry (NIPR) for electronic submission of initial and renewal licensing applications, and company appointment transactions. The Department was also able to move its producer licensing information to State Based Systems (SBS), which serves as a repository for licensing information and enables insurance licensees to have easier access to their own licensing information, including continuing education.

Some changes initiated by SB 37 were implemented July 1, 2021, while the remainder of the changes were implemented January 1, 2022. [The Department's website](#) has been extensively updated and reorganized to make it easier for you to access information pertaining to licensing. More detailed information previously contained in this FAQ has been transitioned to our website. **We encourage you to visit [the Department website](#) for easily accessible and up-to-date information on your producer licensing questions.**

## **What communications were sent to industry about these changes?**

[Producers \(Agents\)](#)

[Business entities \(Agencies\)](#)

[Companies](#)

[Risk Retention Groups](#)

[CE Providers](#)

[CE Providers- Follow Up](#)

[Public Adjuster](#)

## **AGENT INFORMATION**

### **Applying for or renewing a license:**

For information on how to apply for or renew a license through NIPR go to the Department's website at: <https://insurance.kansas.gov/producer-licensing/>

### **How early can I renew my license?**

Resident and nonresident agents can renew 90 days prior to their renewal date.

### **How many hours of continuing education (CE) do I need to renew my license after January 1, 2022?**

For information on CE requirements for all lines of insurance, see the Department's [Continuing Education Page](#).

**I am a resident agent who has a pre-need only line of authority. When and how can I provide certification to the Department that I transact no other insurance business?**

- The agent's affirmation must be submitted to the Department electronically by filling out the [fillable form for producers](#) available on the Department's website.
- The company's certification can be submitted to the Department electronically by filling out the [fillable form for companies](#) available on the Department's website.
- These forms must be submitted to the Department prior to the expiration date of the license in order to avoid a status change and additional fees.

**How do I obtain a copy of my insurance agent's license?**

You can print, at no cost, your insurance agent's license through the SBS License Manager at <https://sbs.naic.org/solar-external-lookup/license-manager>.

**What information or services are available to me through SBS?**

You can look up information on your license, lines of authority, states licensed in, CE provider course information, your NPN, and your CE transcript. You can also update your email information, print license and CE transcripts, and print your license certificate. Click [here](#) for additional information on SBS services.

**Do I need a login for (NIPR) or (SBS)?**

No. None of the applications require a user to login.

**Where do I go if I need to see how many Continuing Education credits I have?**

You can use your NPN number or Name and Social Security number to look up CE credits, which have been reported by CE providers for you on the [State Based Systems \(SBS\) website](#).

**How do I surrender my license?**

All requests to surrender licenses must be submitted to the Department electronically via the [fillable surrender form](#) available on the Department's website. The Department will process the request and send you a confirmation email.

**How can I request inactive status?**

Requests for inactive status must be submitted to the Department electronically via the [fillable inactive agent application form](#) available on the Department's website. The Department will process the request and send you a confirmation email.

**How can I request an extension for military service or medical hardship/disability?**

Requests for extensions of time to complete CE and renew your license due to military service or a medical hardship/disability must be submitted to the Department electronically via the [fillable medical/military extension request form](#) available on the Department's website. The Department will process the request and send you a response.

**How do I submit a request to change my legal name?**

Requests for a legal name change in your licensing records must be submitted to the Department electronically via the [fillable legal name change request form](#) available on the Department's website. Documentation supporting the request must be submitted to the Department according to the directions on the bottom of the form. The Department will process the request and you can validate the change has been made by visiting the [SBS licensee Lookup](#).

## **BUSINESS ENTITY FAQ's**

### **How do I apply for or renew an agency license?**

For information on applying for or renewing a resident or nonresident business entity (agency) license through NIPR, visit the Department's website at <https://insurance.kansas.gov/agency-licensing/>.

### **How early can an agency license be renewed?**

Resident and nonresident business entities can renew 90 days prior to their renewal date.

### **Does the biennial resident renewal fee of \$4.00 apply to business entities as well as agents?**

Yes. Resident business entities are required to pay a \$4.00 renewal fee. Additional fees may be charged by the vender at time of payment.

### **Are there other requirements for renewing a resident business entity license?**

Yes. The Department may require business entities to submit documentation that they are in good standing with the Office of the Kansas Secretary of State (SOS). You can obtain this documentation by going to the SOS website at <https://sos.ks.gov/business/business.html> and clicking the link "Obtain Certificate of Good Standing." **The certificate must be sent via email to [KID.Licensing@ks.gov](mailto:KID.Licensing@ks.gov) with "Certificate of Good Standing" and company name in the Subject of the email.** The Department will not be able to approve your license if they are unable to validate the entity's status is in good standing.

### **Does the requirement to obtain a certificate of good standing apply to all business entity licensees?**

No. General partnerships, sole proprietors and federally chartered financial institutions are not required to register with the Office of the Secretary of State. It also does not apply to nonresident business entities.

### **If not timely renewed, will a business entity license cancel on its renewal date, or does it suspend for up to 90 days like an individual producer license?**

Business entity licenses expire on the renewal date. There is no suspension or grace period, and the business entity would have to submit a new application through NIPR to obtain an active status.

### **How can I find out when my resident agency license renews?**

It can be looked up on the [SBS License Manager](#).

### **How does my agency notify the Department of changes in addresses and phone numbers?**

Changes in legal and/or mailing addresses, telephone numbers, email addresses are to be submitted by [Contact Change Request \(CCR\)](#) through NIPR.

### **How do I submit changes to my agency's legal name, DBA name, or DRLP?**

Changes in the agency's legal name, DBA name(s), or DRLP should be submitted electronically to the Department by submitting the online [fillable Change of Business Entity Information Form](#).

## **INSURANCE COMPANY FAQ's**

### **How may a company submit producer appointment and termination transactions?**

All producer appointments and terminations must be filed through NIPR. The company can contact NIPR at [marketing@nipr.com](mailto:marketing@nipr.com) to discuss various options for conducting filings through NIPR. NIPR will collect the \$2.00 (resident agent) and \$5.00 (nonresident agent) appointment fee for the Department at the time of the transaction. (The Department does not charge a termination fee.) For both appointment and termination transactions NIPR will also collect a transaction fee. Appointments submitted directly to the Department will not be accepted.

### **How do I get a Company Appointment Report (CAR) to verify the accuracy of producer appointments with the company? Is there a cost?**

The CAR is normally available to companies through NIPR for a \$50 fee. Companies that want to request their CAR can contact [marketing@nipr.com](mailto:marketing@nipr.com).

### **How will we receive an invoice for our Kansas annual agent appointment renewals?**

For the annual appointment renewal fee (for appointments in place on December 31, 2021) renewal invoices were made available by the Department to companies in January 2022 via the Department's Company Desktop. Renewal invoices must be paid by March 1, 2022.

Beginning January 2023 invoices for annual renewal fees (for renewals for year-end 2022) will be made available to you through NIPR.

### **If we want to appoint agents affiliated with an agency, can we appoint only the agents, or do we also have to appoint the agency?**

Insurance companies no longer appoint business entities. Companies must have direct appointments with individual producers which write business for the company. Companies may not submit appointments for agencies unless they are licensed with the Department as credit-only, auto rental-only, or portable electronics-only agencies.

### **Are there third-party vendors who can process appointment and termination transactions for less cost than what is charged by NIPR?**

The following information is provided by NIPR on options available for processing appointments and terminations. You can contact [marketing@nipr.com](mailto:marketing@nipr.com) to get additional information on these options.

There are three options to submit appointments/terminations through the NIPR Gateway.

#### **1) NIPR's Interactive Appointments and Terminations (IAT)**

IAT is a front-end application which allows insurance carriers to appoint and terminate using the National Producer Number (NPN), eliminating the use of the SSN. These transactions are validated with the Producer Database (PDB) prior to submission, greatly reducing the number of declines. The cost for this application is \$3 per transaction plus any associated state fees. These fees are paid at the time of processing via credit card or customer initiated ACH.

#### **2) Customer Programming**

To process appointments/terminations directly through the Gateway (i.e. not using IAT), **programming on the company's behalf is required**. This option allows clients to establish specified programming requirements and to build their own product. The cost for these transactions is currently \$1.53 per transaction plus any associated state fees (state fees paid at the time of processing via Electronic Funds Transfer (EFT); transaction fees invoiced and billed at the end of each month).

3) **NIPR Reseller**

Companies can choose to utilize one of [NIPR's Resellers \(https://nipr.com/products-and-services/nipr-gateway/resellers\)](https://nipr.com/products-and-services/nipr-gateway/resellers), which offer value-added services.

## **ADDITIONAL FAQs:**

**If a license was revoked prior to July 1, 2021, does the requirement to wait two years to apply for a license apply to them?**

No. It applies to licensees whose licenses were revoked on or after July 1, 2021.

**Will any regulations change as a result of SB 37?**

Yes, the Department is working to develop a guidance document for producer licensing that will contain information previously contained in the following regulations:

- K.A.R. 40-7-7 (amendments)
- K.A.R. 40-7-9 (revocation)
- K.A.R. 40-7-11 (amendments)
- K.A.R. 40-7-13 (amendments)
- K.A.R. 40-7-20a (amendments)
- K.A.R. 40-7-22 (revocation)
- K.A.R. 40-7-23 (revocation)
- K.A.R. 40-7-25 (revocation)

**The Department will follow the process outlined by statute to make regulatory changes. If a conflict arises between the current version of a regulation and the amended statutes, the statute will control. Please check <https://insurance.ks.gov/department/LegalIssues/proposed-regulations.php> periodically for publication of the proposed amendments to the regulations above.**