

TITLE 41
INSURANCE

CHAPTER 10
PRODUCER LICENSING

41-1001. PURPOSE AND SCOPE. (1) This chapter governs the qualifications and procedures for the licensing of insurance producers. It simplifies and organizes statutory language to improve efficiency, permits the use of new technology and reduces costs associated with issuing and renewing insurance licenses.

(2) This chapter applies to adjusters to the extent provided in section [41-1108](#), Idaho Code, and to surplus lines brokers to the extent provided in sections [41-1223](#) and [41-1224](#), Idaho Code. Except where expressly made applicable, this chapter does not apply to title insurance under [chapter 27, title 41](#), Idaho Code.

[41-1001, added 2001, ch. 296, sec. 3, p. 1047.]

41-1002. TERMS CONSTRUED. Wherever the terms "agent" or "broker" appear in [title 41](#), Idaho Code, or in the rules of the department, they shall be understood and construed to mean "producer" as defined in section [41-1003](#)(8), Idaho Code, except as used in section [41-1018](#), Idaho Code, and any other sections where it is apparent from the language that the terms should not be so construed.

[41-1002, added 2001, ch. 296, sec. 3, p. 1047; am. 2002, ch. 281, sec. 1, p. 823.]

41-1003. DEFINITIONS. (1) "Business entity" means a corporation, association, partnership, limited liability company, limited liability partnership or other legal entity.

(2) "Home state" means the District of Columbia and any state or territory of the United States or any province of Canada in which an insurance producer maintains his or her principal place of residence or principal place of business and is licensed to act as an insurance producer.

(3) "License" means a document issued by the director authorizing a person to act as an insurance producer for the lines of authority specified in the document. The license itself does not create any authority, actual, apparent or inherent, in the holder to represent or commit an insurance carrier.

(4) "Limited lines insurance" is insurance which restricts the authority of the license to less than the total authority prescribed in the associated major lines pursuant to section [41-1008](#)(1)(a) through (g), Idaho Code, and shall include, but not be limited to: credit life, credit disability, credit property, credit unemployment, involuntary unemployment, mortgage life, mortgage guaranty, mortgage disability, guaranteed automobile protection (GAP) insurance, transportation baggage insurance, transportation ticket policies covering personal accident insurance, pet insurance, portable electronics insurance, travel insurance or any other line of insurance that the director deems necessary to recognize for the purposes of complying with section [41-1009](#)(5), Idaho Code.

(5) "Limited lines producer" means a producer authorized by the director to sell, solicit or negotiate limited lines insurance. "Limited lines

producer" includes a "limited lines travel insurance producer" as used in sections [41-1090](#) through [41-1096](#), Idaho Code.

(6) "Negotiate" means the act of conferring directly with or offering advice directly to a purchaser or prospective purchaser of a particular contract of insurance concerning any of the substantive benefits, terms or conditions of the contract, provided that the person engaged in the act either sells insurance or obtains insurance from insurers for purchasers.

(7) "Person" means an individual or a business entity.

(8) "Producer" means a person required to be licensed under the laws of this state to sell, solicit or negotiate insurance.

(9) "Resident" means a person whose home state is Idaho or any other particular state identified in conjunction with the use of the term.

(10) "Sell" means to exchange a contract of insurance by any means, for money or its equivalent, on behalf of an insurance company.

(11) "Solicit" means attempting to sell insurance or asking or urging a person to apply for a particular kind of insurance from a particular company or companies.

(12) "Terminate" means the cancellation of the relationship between an insurance producer and the insurer or the termination of a producer's authority to transact insurance for or on behalf of an insurer.

(13) "Uniform application" means the current version of the national association of insurance commissioners (NAIC) uniform application for resident and nonresident producer licensing.

(14) "Uniform business entity application" means the current version of the NAIC uniform business entity application for resident and nonresident business entities.

[41-1003, added 2001, ch. 296, sec. 3, p. 1047; am. 2012, ch. 226, sec. 1, p. 619; am. 2017, ch. 198, sec. 1, p. 494.]

41-1004. LICENSE REQUIRED. (1) A person shall not sell, solicit or negotiate insurance in this state for any class or classes of insurance unless the person is licensed as a producer for that line of authority in accordance with this chapter.

(2) A person shall not, for a fee, engage in the business of offering any advice, counsel, opinion or service with respect to the benefits, advantages or disadvantages under any policy of insurance that could be issued in Idaho unless that person is:

(a) A licensed insurance producer offering advice concerning a class of insurance as to which the producer is licensed to transact business in this state;

(b) An attorney rendering services in the performance of the duties of an attorney;

(c) A certified public accountant rendering services in the performance of the duties of a certified public accountant, as authorized by law;

(d) An actuary rendering actuarial services if such actuary is a member of an organization determined by the director as establishing standards for the actuarial profession;

(e) A person providing services to producers or authorized insurers only;

(f) A person rendering services as an expert pursuant to the Idaho rules of evidence;

(g) An investment adviser, investment adviser representative or federally covered investment adviser as defined in section [30-14-102](#), Idaho Code; or

(h) A person rendering such services pursuant to a license issued in accordance with sections [41-1081](#) through [41-1089](#) of this chapter [, Idaho Code].

[41-1004, added 2001, ch. 296, sec. 3, p. 1048; am. 2002, ch. 282, sec. 1, p. 825; am. 2004, ch. 45, sec. 6, p. 227; am. 2012, ch. 226, sec. 2, p. 620.]

41-1005. EXCEPTIONS TO LICENSING. (1) Nothing in this chapter shall be construed to require an insurer to obtain an insurance producer license. In this section, the term "insurer" does not include an insurer's officers, directors, employees, subsidiaries or affiliates.

(2) A license as an insurance producer shall not be required of the following:

(a) An officer, director or employee of an insurer or of an insurance producer, provided that the officer, director or employee does not receive any commission on policies written or sold to insure risks residing, located or to be performed in this state and:

(i) The activities of the officer, director or employee are executive, administrative, managerial, clerical or a combination of these, and are only indirectly related to the sale, solicitation or negotiation of insurance; or

(ii) The function of the officer, director or employee relates to underwriting, loss control, inspection or the processing, adjusting, investigating or settling of a claim on a contract of insurance; or

(iii) The officer, director or employee is acting in the capacity of a special agent or agency supervisor assisting insurance producers where the person's activities are limited to providing technical advice and assistance to licensed insurance producers and do not include the sale, solicitation or negotiation of insurance;

(b) A person who secures and furnishes information for the purpose of group life insurance, group property and casualty insurance, group annuities, group or blanket accident and health insurance, or for the purpose of enrolling individuals under plans, issuing certificates under plans or otherwise assisting in administering plans, or performs administrative services relating to mass-marketed property and casualty insurance, and who does not receive a commission;

(c) An employer or association or its officers, directors, employees or the trustees of an employee trust plan, to the extent that the employer, association, officer, employee, director or trustee is engaged in the administration or operation of a program of employee benefits for the employer's or association's own employees or the employees of its subsidiaries or affiliates, which involves the use of insurance issued by an insurer, as long as the employer, association, officer, director, employee or trustee is not in any manner compensated, directly or indirectly, by the company issuing the contracts;

(d) Employees of insurers or organizations employed by insurers who are engaging in the inspection, rating or classification of risks, or in the supervision of the training of insurance producers, and who are not in-

dividually engaged in the sale, solicitation or negotiation of insurance, and who do not receive a commission;

(e) A person whose activities in this state are limited to advertising without the intent to solicit insurance in this state through communications in printed publications or other forms of electronic mass media whose distribution is not limited to residents of the state, provided that the person does not sell, solicit or negotiate insurance that would insure risks residing, located or to be performed in this state;

(f) A person who is not a resident of this state who sells, solicits or negotiates a contract of insurance for commercial property and casualty risks to an insured with risks located in more than one (1) state insured under that contract, provided that the person is otherwise licensed as an insurance producer to sell, solicit or negotiate that insurance in the state where the insured maintains its principal place of business and the contract of insurance insures risks located in that state;

(g) A salaried full-time employee who counsels or advises his or her employer relative to the insurance interests of the employer or of the subsidiaries or business affiliates of the employer, provided that the employee does not sell or solicit insurance or receive a commission; or

(h) A person who, concurrent with the rental of a motor vehicle, provides contract options to the standard rental agreement which provides auto and travel related coverages through authorized insurers during a rental period not to exceed ninety (90) days.

[41-1005, added 2001, ch. 296, sec. 3, p. 1048.]

41-1006. APPLICATION FOR EXAMINATION. (1) A resident individual applying for an insurance producer license shall pass a written examination unless exempt pursuant to section [41-1008](#)(4) or [41-1012](#), Idaho Code. The examination shall test the knowledge of the individual concerning the lines of authority for which application is made, the duties and responsibilities of an insurance producer and the insurance laws and rules of this state. Examinations required by this section shall be developed and conducted under rules prescribed by the director of the department of insurance.

(2) Each individual applying for an examination shall remit a nonrefundable fee as promulgated by the director pursuant to section [41-401](#), Idaho Code.

(3) An individual who fails to appear for the examination as scheduled or who fails to pass the examination shall reapply for an examination and remit all required fees and forms before being rescheduled for another examination.

(4) Applications for licensure not received by the department within one hundred eighty (180) days of the successful completion of the examination shall be denied.

[41-1006, added 2001, ch. 296, sec. 3, p. 1050; am. 2002, ch. 281, sec. 2, p. 823.]

41-1007. APPLICATION FOR PRODUCER LICENSE. (1) A person applying for a resident insurance producer license shall make application to the director on the uniform application and declare under penalty of refusal, suspension or revocation of the license that the statements made in the application are true, correct and complete to the best of the applicant's knowledge and be-

lief. Before approving the application, the director shall find that the applicant:

- (a) Is at least eighteen (18) years of age;
- (b) Has submitted the applicant's fingerprints as may be required by the director;
- (c) Has not committed any act that is a ground for denial, suspension or revocation of the license as set forth in [title 41](#), Idaho Code;
- (d) Has paid the fees prescribed by the director pursuant to section [41-401](#), Idaho Code; and
- (e) Has successfully passed the examinations for the lines of authority for which the applicant has applied.

(2) A business entity acting as an insurance producer is required to obtain an insurance producer license. Application shall be made using the uniform business entity application. Before approving the application, the director shall find that:

- (a) The business entity has paid the fees prescribed by the director pursuant to section [41-401](#), Idaho Code; and
- (b) The business entity has designated a licensed producer, who is an individual responsible for the business entity's compliance with the insurance laws and rules of this state.

(3) The director may require any documents which are reasonably necessary to verify the information contained in an application.

(4) Each insurer that sells, solicits or negotiates any form of limited line insurance shall provide to each individual whose duties will include selling, soliciting or negotiating limited lines insurance a program of instruction that may be required to be approved by the director. If acceptable to the director, and as stated by rule, the program of instruction may be administered in place of the examination as required in section [41-1006](#), Idaho Code. In addition, such course of instruction may be administered in place of any continuing education requirements pursuant to section [41-1013](#), Idaho Code.

[41-1007, added 2001, ch. 296, sec. 3, p. 1050.]

41-1008. PRODUCER LICENSE. (1) Unless denied licensure pursuant to section [41-1016](#), Idaho Code, persons who have met the requirements of sections [41-1006](#) and [41-1007](#), Idaho Code, shall be issued an insurance producer license. An insurance producer may receive qualification for a license in one (1) or more of the following lines of authority:

- (a) Life insurance coverage on human lives, including benefits of endowment and annuities, benefits in the event of death or dismemberment by accident, and benefits for disability income;
- (b) Disability, including accident and health or sickness insurance coverage for sickness, bodily injury or accidental death and benefits for disability income;
- (c) Property insurance coverage for the direct or consequential loss or damage to property of every kind;
- (d) Casualty insurance coverage against legal liability, including liability for death, injury or disability or damage to real or personal property;
- (e) Variable life and variable annuity products, meaning insurance coverage provided under variable life insurance contracts and variable annuities;

(f) Personal lines, meaning property and casualty insurance coverage sold to individuals and families for primarily noncommercial purposes;

(g) Any other line of insurance permitted under state laws or rules.

(2) An insurance producer license shall remain in effect unless revoked or suspended as long as the renewal fee promulgated by the director pursuant to section [41-401](#), Idaho Code, is paid and the continuing education requirements for resident insurance producers are met in accordance with section [41-1013](#), Idaho Code.

(3) An individual insurance producer who allows his or her license to lapse may, within twelve (12) months from the due date of the renewal fee, reinstate the same license without passing a written examination unless the licensee would otherwise be required to retest under section [41-1013](#)(7), Idaho Code. However, a penalty in the amount of double the unpaid renewal fee shall be required for any renewal fee received after the due date.

(4) A licensed insurance producer who is unable to comply with license renewal procedures due to military service or some other extenuating circumstance, such as a long-term medical disability, may request that the director waive those procedures. The producer may also request a waiver of any examination requirement or any other fine or sanction imposed for failure to comply with renewal procedures.

(5) The license shall contain the licensee's name, address, personal identification number, the date of issuance, the lines of authority, the expiration date and any other information the director deems necessary.

(6) Licensees shall inform the director by any means acceptable to the director of a change of address within thirty (30) days of the change. A business entity licensed as a producer shall inform the director by any means acceptable to the director of any change in ownership, officers, directors or the designated licensed producer responsible for compliance pursuant to section [41-1007](#)(2) (b), Idaho Code.

(7) In order to assist in the performance of the director's duties, the director may contract with nongovernmental entities, including the national association of insurance commissioners or its affiliates or subsidiaries, to perform any ministerial functions related to producer licensing, including the collection of fees, that the director and the nongovernmental entity may deem appropriate.

[41-1008, added 2001, ch. 296, sec. 3, p. 1051.]

41-1009. NONRESIDENT PRODUCER LICENSE. (1) Unless denied licensure pursuant to section [41-1016](#), Idaho Code, a nonresident applicant shall receive a nonresident producer license if:

(a) The applicant is currently licensed as a resident and in good standing in his or her home state;

(b) The applicant has submitted the proper request for licensure and has paid the fees set forth by rule pursuant to section [41-401](#), Idaho Code;

(c) The applicant has submitted or transmitted to the director the application for licensure that the applicant submitted to his or her home state or, in lieu of such application, a completed uniform application;

(d) The applicant has submitted the applicant's fingerprints, if required by the director, on a form as prescribed by the director; and

(e) The applicant's home state awards nonresident producer licenses to residents of this state on the same basis.

(2) The director may verify the producer's licensing status through the producer database maintained by the national association of insurance commissioners, its affiliates or subsidiaries, or by any other acceptable means.

(3) A nonresident producer who moves from one state to another state or a resident producer who moves from this state to another state shall file a change of address and provide certification from the new resident state within thirty (30) days of the change of legal residence. No fee or license application shall be required for filing the change of address.

(4) Notwithstanding any other provision of this chapter, a person licensed as a surplus lines broker in his or her home state shall receive a nonresident surplus lines broker license pursuant to subsection (1) of this section. Except as to subsection (1) of this section, nothing in this section otherwise amends or supersedes any provision of section [41-1223](#), Idaho Code.

(5) Notwithstanding any other provision of this chapter, a person licensed as a limited lines producer in his or her home state shall receive a nonresident limited lines producer license, pursuant to subsection (1) of this section, granting the same scope of authority as granted under the license issued by the producer's home state. For the purposes of this subsection, limited lines insurance is any authority granted by the home state which restricts the authority of the license to less than the total authority prescribed in the associated major lines pursuant to section [41-1008](#) (1) (a) through (g), Idaho Code.

[41-1009, added 2001, ch. 296, sec. 3, p. 1052.]

41-1010. NONRESIDENT PRODUCERS -- SERVICE OF PROCESS. (1) Each person applying to be a nonresident producer shall, on a form prescribed by the director, appoint the director as his agent for purposes of receiving service of legal process issued against the producer in this state upon causes of action arising within this state out of transactions under the license. Service upon the director as an agent shall constitute effective legal service upon the producer.

(2) The appointment shall be irrevocable for as long as there could be any cause of action against the licensee arising out of his insurance transactions in or with respect to this state.

(3) Duplicate copies of such legal process against the licensee shall be served upon the director by a person competent to serve a summons. At the time of service the plaintiff shall pay the director an appropriate fee to be determined by rule and not exceeding thirty dollars (\$30.00).

(4) Upon receiving such service, the director shall send one (1) copy of the process by registered or certified mail with return receipt requested to the defendant licensee at his last address of record with the director.

(5) The director shall keep a record of the day and hour of such service upon him. No proceedings shall be brought against the producer, and the producer shall not be required to appear, plead or answer until the expiration of thirty (30) days after the date of service upon the director.

[41-1010, added 2001, ch. 296, sec. 3, p. 1053.]

41-1011. ISSUANCE -- REFUSAL OF LICENSE. If after completion of application for a license, the taking and passing of any examination required under this chapter and, if required by the director, receipt of a report from

the federal bureau of investigation based on the fingerprints of the applicant, the director finds that the applicant has fully met the requirements for a license, the director shall issue the license to the applicant; otherwise, the director shall refuse to issue the license and shall promptly notify the applicant and any appointing insurer or insurers of such refusal and state the grounds for the refusal. Pending the receipt of the report from the federal bureau of investigation, the director may, in his discretion, issue a temporary license if all other qualifications have been met.

[41-1011, added 2001, ch. 296, sec. 3, p. 1053.]

41-1012. EXEMPTION FROM EXAMINATION. (1) An individual who applies for an insurance producer license in this state and who was previously licensed for the same lines of authority in another state shall not be required to complete any prelicensing examination if:

(a) The person is currently licensed in another state; or

(b) The application is received within ninety (90) days of the cancellation of the applicant's previous license and the prior state issues a certification that:

(i) At the time of cancellation, the applicant was in good standing in that state; or

(ii) The state's producer database records, as maintained by the national association of insurance commissioners or its affiliates or subsidiaries, indicate that the producer is or was licensed in good standing for the lines of authority requested.

(2) A person licensed as an insurance producer in another state who moves to this state shall make application within ninety (90) days of establishing legal residence to become a resident licensee pursuant to section [41-1006](#), Idaho Code. No examination shall be required of that person to obtain any line of authority previously held in the prior state unless the director provides otherwise by rule.

[41-1012, added 2001, ch. 296, sec. 3, p. 1053.]

41-1013. CONTINUATION -- EXPIRATION OF LICENSES -- CONTINUING EDUCATION STATEMENT. (1) All producer, adjuster, and surplus line broker licenses issued under this code shall continue in force until expired, suspended, revoked or otherwise terminated, subject to payment of the applicable continuation fee on or before the expiration date referred to in subsection (2) of this section, accompanied by a written request for such continuation and a continuing education statement verifying that the licensee has completed any continuing education requirements imposed by the director. An application for renewal is not complete unless it is submitted with both the applicable fee and the completed continuing education statement. Requests for continuation shall be made in writing on forms to be prescribed by the director.

(2) The director may fix the dates of expiration for licenses in such manner as is deemed by him to be advisable for an efficient distribution of the workload of his office. If the expiration date for a particular license or appointment would shorten the period for which the license or appointment continuation fee has been paid, no refund of an unearned fee shall be made. If the expiration date for a particular license or appointment would lengthen the period for which a license or appointment continuation fee has

been paid, the director shall charge no additional fee for such lengthened period.

(3) Any license referred to in subsection (1) of this section for which no request for continuation, fee and completed continuing education statement are timely received by the director shall be deemed to have expired at midnight on the applicable expiration date.

(4) All sums tendered as fees for continuations of licenses as producer, limited lines producer, adjuster or surplus line broker shall be deemed earned when paid and shall not be subject to refund, except that the director shall refund any duplicate payment of fees.

(5) For the protection of the people of this state the director shall establish, by rule, additional educational requirements designed to maintain and improve the insurance skills and knowledge of resident producers after licensure by the department of insurance. The director shall also establish, by rule, an advisory committee comprised of representatives from each segment of the insurance industry to assist the director in prescribing additional educational requirements. Such rules promulgated by the director shall include limits on the terms of service for members of the committee.

(6) Subject to subsection (3) of this section, the director shall not permit to be continued the license of any producer who is licensed pursuant to section [41-1007](#), Idaho Code, who is a resident of this state, unless such person has demonstrated to the satisfaction of the director that in addition to meeting the standards contained in sections [41-1007](#), (qualifications for producer license), Idaho Code, as may be applicable, all the additional educational requirements as the director may prescribe by rule have been met.

(7) Failure of the licensee to comply with any applicable additional education requirements prescribed by the director by rule by the expiration date of the license shall be grounds for the director to refuse to continue any such license. The licensee may reinstate his or her license by submitting proof of all education requirements within ninety (90) days from the date of expiration of the license and by submitting an additional administrative penalty of one hundred dollars (sections [41-1007](#), (qualifications for producer license), Idaho Code, as may be applicable, all the additional educational requirements as the director may prescribe by rule have been met.

(7) Failure of the licensee to comply with any applicable additional education requirements prescribed by the director by rule by the expiration date of the license shall be grounds for the director to refuse to continue any such license. The licensee may reinstate his or her license by submitting proof of all education requirements within ninety (90) days from the date of expiration of the license and by submitting an additional administrative penalty of one hundred dollars (\$100) for a delinquency of one (1) day to thirty (30) days, two hundred dollars (\$200) for a delinquency of 00) for a delinquency of one (1) day to thirty (30) days, two hundred dollars (00) for a delinquency of thirty-one (31) days to sixty (60) days, and three hundred dollars (\$300) for a delinquency of sixty-one (61) days to ninety (90) days. Following the ninetieth day from the date of nonrenewal of the license and up to one (1) year from the nonrenewal date, the licensee must complete all requirements for licensure including retesting, submission of a new application and payment of all new licensing fees. In addition, the individual must submit proof of completion of the required education requirements for the licensing period in which the license was terminated. After the license

has been expired for one (1) year or more, the individual must reapply and retest as a new applicant.

[41-1013, added 2001, ch. 296, sec. 3, p. 1054.]

41-1014. ASSUMED NAMES. An insurance producer doing business under any name other than the producer's legal name is required to notify the director in writing prior to using the assumed name.

[41-1014, added 2001, ch. 296, sec. 3, p. 1055.]

41-1015. TEMPORARY LICENSING. (1) The director may issue a temporary insurance producer license for a period not to exceed one hundred eighty (180) days without requiring an examination if the director deems that the temporary license is necessary for the servicing of an insurance business in the following cases:

- (a) To the surviving spouse or court-appointed personal representative of a licensed insurance producer who dies or becomes mentally or physically disabled in order to allow adequate time for the sale of the insurance business owned by the producer or for the recovery or return of the producer to the business or to provide for the training and licensing of new personnel to operate the producer's business;
- (b) To a member or employee of a business entity licensed as an insurance producer upon the death or disability of an individual designated in the business entity application or the license;
- (c) To the designee of a licensed insurance producer entering active service in the armed forces of the United States of America; or
- (d) Pursuant to section [41-1011](#), Idaho Code, or in any other circumstance where the director deems the public interest will best be served by the issuance of the temporary license.

(2) The director may by order limit the authority of any temporary licensee in any way deemed necessary to protect insureds and the public. The director may require the temporary licensee to have a suitable sponsor who is a licensed producer or insurer and who assumes responsibility for all actions of the temporary licensee, and may impose other similar requirements designed to protect insureds and the public. The director may by order revoke a temporary license, without the right to a prior hearing, if the interests of insureds or the public are endangered. A temporary license may not continue after the owner or the personal representative disposes of the business.

[41-1015, added 2001, ch. 296, sec. 3, p. 1055.]

41-1016. ADMINISTRATIVE PENALTY -- SUSPENSION, REVOCATION, REFUSAL OF LICENSE. (1) The director may impose an administrative penalty not to exceed one thousand dollars (\$1,000), for deposit in the general fund of the state of Idaho, and may suspend for not more than twelve (12) months or may revoke or refuse to issue or continue any license issued under this chapter, [chapter 27, title 41](#), Idaho Code (title insurance), [chapter 11, title 41](#), Idaho Code (adjusters), or [chapter 12, title 41](#), Idaho Code (surplus lines brokers), if the director finds that as to the licensee or applicant any one (1) or more of the following causes or violations exist:

- (a) Providing incorrect, misleading, incomplete or materially untrue information in the license application;

(b) Violating any provision of [title 41](#), Idaho Code, department rule, subpoena or order of the director or of another state's insurance director;

(c) Obtaining or attempting to obtain a license through misrepresentation or fraud;

(d) Improperly withholding, misappropriating or converting any moneys or properties received in the course of doing insurance business;

(e) Misrepresenting the terms of an actual or proposed insurance contract or application for insurance or misrepresenting any fact material to any insurance transaction or proposed transaction;

(f) Being convicted of or pleading guilty to any felony, or to a misdemeanor which evidences bad moral character, dishonesty, a lack of integrity and financial responsibility, or an unfitness and inability to provide acceptable service to the consuming public;

(g) Admitting or being found to have committed any insurance unfair trade practice or fraud;

(h) Using fraudulent, coercive or dishonest practices, or demonstrating incompetence, untrustworthiness or financial irresponsibility, or being a source of injury and loss to the public or others, in the conduct of business in this state or elsewhere;

(i) Having an insurance license denied, suspended or revoked in any other state, province, district or territory;

(j) Forging another's name on an application for insurance or on any document related to an insurance transaction;

(k) Improperly using notes or any other reference material to complete an examination for an insurance license;

(l) Knowingly accepting insurance business from an individual who is not licensed;

(m) Failing to comply with an administrative or court order imposing a child support obligation, provided however, that nothing in this provision shall be deemed to abrogate or modify [chapter 14, title 7](#), Idaho Code;

(n) Failing to pay state income tax or to comply with any administrative or court order directing payment of state income tax; or

(o) In the case of a bail agent, compensating or agreeing to compensate any incarcerated person to influence or encourage another incarcerated person or other incarcerated persons to engage the bail agent's services or the services of the bail agent's company or of other bail agents employed by such bail company. For purposes of this subsection, compensating any incarcerated person shall include providing payment in any form to any person, organization or entity designated by the incarcerated person to receive such payment.

(2) The director shall, without hearing, suspend for not more than twelve (12) months, or shall revoke or refuse to continue any license issued under this chapter to a nonresident where:

(a) The director has received a final order of suspension, revocation or refusal to continue from the insurance regulatory official or court of jurisdiction of the licensee's home state; or

(b) A nonresident no longer has a license in the licensee's home state because the home state license was:

(i) Voluntarily surrendered for any reason except relicensing as a resident in another state; or

(ii) Otherwise nonrenewed by the nonresident and remains nonrenewed for a period greater than ninety (90) days beyond its expiration date, and without notice to the director of relicensing as a resident in another state.

If cause under this provision exists after the expiration of the twelve (12) months, successive suspensions may be imposed by the director without hearing.

(3) The license of a business entity may be suspended, revoked or refused if the director finds that the violation of an individual licensee, who is registered to or acting on behalf of the business entity, was known or should have been known by one (1) or more of the owners, officers or managers acting on behalf of the business entity and that the violation was not reported to the director and no corrective action was taken.

(4) In addition to or in lieu of any applicable denial, suspension or revocation of a license, a person may, after hearing, be subject to a civil fine or administrative penalty pursuant to subsection (1) of this section or any other applicable section.

(5) The director shall retain the authority to enforce the provisions of and impose any penalty or remedy authorized by [title 41](#), Idaho Code, against any person who is under investigation for or charged with a violation of [title 41](#), Idaho Code, or department rule, even if the person's license or registration has been surrendered or has lapsed by operation of law, or if the person has never been licensed.

[41-1016, added 2001, ch. 296, sec. 3, p. 1056; am. 2005, ch. 77, sec. 5, p. 259; am. 2006, ch. 49, sec. 3, p. 142; am. 2016, ch. 50, sec. 1, p. 144; am. 2017, ch. 258, sec. 1, p. 634.]

41-1017. COMMISSIONS. (1) An insurance company or insurance producer shall not pay a commission, service fee or other valuable consideration to a person for selling, soliciting or negotiating insurance in this state if that person is not duly licensed as required under this chapter.

(2) A person shall not accept a commission, service fee or other valuable consideration for selling, soliciting or negotiating insurance in this state if that person is not duly licensed as required under this chapter.

(3) Renewals or other deferred commissions may be paid to a person for selling, soliciting or negotiating insurance in this state if that person was duly licensed as required under this chapter at the time of the sale, solicitation or negotiation.

(4) An insurer or insurance producer may pay or assign commissions, service fees or other valuable consideration to any person, regardless of whether that person is licensed as a producer, unless the payment or assignment would violate a specific section of [title 41](#), Idaho Code, including, but not limited to, sections [41-1314](#) and [41-2708](#), Idaho Code, or department rule.

[41-1017, added 2001, ch. 296, sec. 3, p. 1057.]

41-1018. APPOINTMENTS. (1) An insurance producer shall not act as an agent of an insurer unless the insurance producer becomes an appointed agent of that insurer. An insurance producer who is not acting as an agent of an insurer is not required to become appointed.

(2) To appoint a producer as its agent, the appointing insurer shall file, in a format approved by the director, a notice of appointment within

fifteen (15) days from the date the agency contract is executed or the first insurance application is submitted.

(3) Upon receipt of the notice of appointment, the director shall verify, within a reasonable time not to exceed thirty (30) days, that the insurance producer is eligible for appointment. If the insurance producer is determined to be ineligible for appointment, the director shall notify the insurer within five (5) days of his determination.

[41-1018, added 2001, ch. 296, sec. 3, p. 1058.]

41-1019. NOTIFICATION TO DIRECTOR OF TERMINATION. (1) An insurer or authorized representative of the insurer that terminates the appointment, employment, contract or other insurance business relationship with a producer shall notify the director within thirty (30) days following the effective date of the termination, using a format prescribed by the director, if the reason for termination is one of the reasons set forth in section [41-1016](#), Idaho Code, or the insurer has knowledge that the producer was found by a court, governmental body or self-regulatory organization authorized by law to have engaged in any of the activities set forth in section [41-1016](#), Idaho Code. Upon the written request of the director, the insurer shall provide additional information, documents, records or other data pertaining to the termination or activity of the producer.

(2) An insurer or authorized representative of the insurer that terminates the appointment, employment, contract or other insurance business relationship with a producer for any reason not set forth in section [41-1016](#), Idaho Code, shall notify the director within thirty (30) days following the effective date of the termination, using a format prescribed by the director. Upon written request of the director, the insurer shall provide additional information, documents, records or other data pertaining to the termination.

(3) The insurer or authorized representative of the insurer shall promptly notify the director in a format acceptable to the director if, upon further review or investigation, the insurer discovers additional information that would have been reportable to the director in accordance with subsection (1) of this section.

(4) A copy of any notification shall be provided to the producer as follows:

(a) Within fifteen (15) days after making the notification required by subsections (1), (2) and (3) of this section, the insurer shall mail a copy of the notification to the producer at his or her last known address. If the producer is terminated for cause for any other reasons listed in section [41-1016](#), Idaho Code, the insurer shall provide a copy of the notification to the producer at his or her last known address by certified mail, return receipt requested, postage prepaid or by overnight delivery using a nationally recognized carrier.

(b) Within thirty (30) days after the producer has received the original or additional notification, the producer may file written comments concerning the substance of the notification with the director. The producer shall, by the same means, simultaneously send a copy of the comments to the reporting insurer, and the comments shall become a part of the director's file and shall accompany every copy of a report distributed or disclosed for any reason about the producer as permitted under subsection (6) of this section.

(5) Immunities.

(a) In the absence of actual malice, an insurer, the authorized representative of the insurer, a producer, the director, or an organization of which the director is a member and that compiles information and makes it available to other insurance directors or regulatory or law enforcement agencies, shall not be subject to civil liability, and a civil cause of action of any nature shall not arise against these entities or their respective agents or employees as a result of any statement or information required by or provided pursuant to this section or any information relating to any statement that may be requested in writing by the director from an insurer or producer or as a result of any statement by a terminating insurer or producer to an insurer or producer limited solely and exclusively to whether a termination for cause under subsection (1) of this section was reported to the director, provided that the propriety of any termination for cause under subsection (1) of this section is certified in writing by an officer or authorized representative of the insurer or producer terminating the relationship.

(b) In any action brought against a person that may have immunity under paragraph (a) of this subsection for making any statement required by this section or providing any information relating to any statement that may be requested by the director, the party bringing the action shall plead specifically in any allegation that paragraph (a) of this subsection does not apply because the person making the statement or providing the information did so with actual malice.

(c) Paragraph (a) or (b) of this subsection shall not abrogate or modify any existing statutory or common law privileges or immunities.

(6) Confidentiality.

(a) Any documents, materials or other information obtained by the director in an investigation pursuant to this section shall be exempt from public disclosure under [chapter 1, title 74](#), Idaho Code.

(b) In order to assist in the performance of the director's duties under this chapter, the director:

(i) May share documents, materials or other information, including confidential and privileged documents and materials or information subject to paragraph (a) of this subsection, with other state, federal and international regulatory agencies and law enforcement authorities, and with the national association of insurance commissioners, its affiliates or subsidiaries, provided that the recipient agrees to maintain the confidentiality and privileged status of the documents, materials or other information;

(ii) May receive documents, materials or information, including otherwise confidential and privileged documents, materials or information, from the national association of insurance commissioners, its affiliates or subsidiaries and from regulatory agencies and law enforcement authorities of other foreign or domestic jurisdictions, and shall maintain as confidential or privileged any documents, materials or information received with notice or with the understanding that they are confidential or privileged under the laws of the jurisdiction that is the source of the documents, materials or information; and

(iii) May enter into agreements governing sharing and use of information consistent with this subsection.

(c) No waiver of any applicable privilege or claim of confidentiality in the documents, materials or information shall occur as a result of disclosure to the director under this section or as a result of sharing as authorized in paragraph (b) of this subsection.

(d) Nothing in this chapter shall prohibit the director from releasing final adjudicated actions, including for cause terminations that are open to public inspection pursuant to [chapter 1, title 74](#) and [title 41](#), Idaho Code, to a database or other clearinghouse service maintained by the national association of insurance commissioners or its affiliates or subsidiaries.

(7) Penalties for failing to report. An insurer, the authorized representative of the insurer, or a producer who fails to report as required under the provisions of this section or who is found by a court of competent jurisdiction to have reported with actual malice may, after notice and hearing, have his license or certificate of authority suspended or revoked and may be fined in accordance with section [41-1016](#) or [41-327](#), Idaho Code.

[41-1019, added 2001, ch. 296, sec. 3, p. 1058; am. 2015, ch. 141, sec. 109, p. 457.]

41-1020. RECIPROCITY. (1) The director shall waive any requirements, except the requirements imposed by section [41-1009](#), Idaho Code, for a non-resident producer license applicant with a valid license from his or her home state if the applicant's home state awards nonresident licenses to residents of this state on the same basis.

(2) A nonresident producer's satisfaction of his or her home state's continuing education requirements for licensed insurance producers shall constitute satisfaction of this state's continuing education requirements if the nonresident producer's home state recognizes the satisfaction of its continuing education requirements imposed upon producers from this state on the same basis.

[41-1020, added 2001, ch. 296, sec. 3, p. 1060.]

41-1021. REPORTING OF ACTIONS. (1) A producer shall report to the director any administrative action taken against the producer in another jurisdiction or by another governmental agency within thirty (30) days of the final disposition of the matter. This report shall include a copy of the order, consent order or other relevant legal documents.

(2) Within thirty (30) days of the initial pretrial hearing date, a producer shall report to the director any criminal prosecution of the producer taken in any jurisdiction. The report shall include a copy of the initial complaint filed, the order resulting from the hearing and any other relevant legal documents.

[41-1021, added 2001, ch. 296, sec. 3, p. 1060.]

41-1022. INSURERS MUST ACCEPT BUSINESS THROUGH LICENSED PRODUCERS ONLY. (1) No authorized insurer shall make, write, place or cause to be made, written or placed in this state any policy, duplicate policy, or insurance contract of any kind, covering a subject of insurance resident, located or to be performed in this state through any person who is not then licensed as a producer under this chapter.

(2) The director may penalize, suspend or revoke the certificate of authority of any insurer violating this section in accordance with section [41-327](#)(1), Idaho Code.

[41-1022, added 2001, ch. 296, sec. 3, p. 1061.]

41-1023. COUNTERSIGNATURE OF POLICIES -- POWER OF ATTORNEY. (1) When the signature or countersignature of a property or casualty producer is required on an insurance contract, or rider or endorsement thereto, the producer shall, except as provided in section [41-337](#)(1), Idaho Code, and subsection (2) of this section, affix his original written signature thereon.

(2) The property or casualty producer may grant a power of attorney in writing to an individual who is twenty-one (21) years of age or older, authorizing such person to countersign or cause a facsimile of the agent's signature to be placed on policies and endorsements in his name and on his behalf. The power of attorney shall be acknowledged by the agent under oath before a notary public and shall be kept on file in the agent's office.

[41-1023, added 2001, ch. 296, sec. 3, p. 1061.]

41-1024. REPORTING AND ACCOUNTING FOR PREMIUMS. (1) All fiduciary funds received or collected by a producer shall be trust funds received by the producer in a fiduciary capacity, and the producer shall, in the applicable regular course of business, account for and pay the same to the person entitled to the funds. The producer shall establish a separate account for funds belonging to others in order to avoid a commingling of such fiduciary funds with his own funds. The producer may deposit and commingle in such separate account all fiduciary funds so long as the amount of such deposit so held for all other persons is reasonably ascertainable from the records and accounts of the producer. A producer who duly collects and deposits funds into a sweep account maintained by or for the benefit of an applicable insurer shall not be deemed to be in violation of the fiduciary fund account requirement. The director may promulgate rules relating to accounting for and handling of fiduciary funds and the fiduciary fund account.

(2) Fiduciary funds shall include all funds collected by an insurance producer from or on behalf of a client or premium finance company that are to be paid to an insurance company, its agents, or the producer's employer, and all funds collected by an insurance producer from an insurance company or its agents that are to be paid to a policyholder or claimant under any contract of insurance.

(3) Any producer who, not being lawfully entitled thereto, diverts or appropriates to his own use such trust or fiduciary funds or any portion thereof, whether or not such funds have been separately deposited, shall upon conviction be guilty of a felony.

[41-1024, added 2001, ch. 296, sec. 3, p. 1061; am. 2005, ch. 62, sec. 1, p. 220.]

41-1025. RULES. The director may, in accordance with section [41-211](#), Idaho Code, promulgate reasonable rules as are necessary or proper to carry out the purposes of this chapter.

[41-1025, added 2001, ch. 296, sec. 3, p. 1061.]

41-1026. PROCEDURE FOLLOWING SUSPENSION, REVOCATION, DENIAL -- RE-INSTATEMENT. (1) Upon suspension, revocation, or refusal to continue any license, the director shall notify the licensee as provided in section [41-212](#)(3), Idaho Code, and, in the case of a producer who holds appointments from insurers, shall give like notice to the insurers represented.

(2) Suspension, revocation, or refusal of any one (1) license held by the licensee under [title 41](#), Idaho Code, shall automatically suspend, revoke or refuse continuation of all other licenses held by the licensee under [title 41](#), Idaho Code.

(3) The director shall not issue a license under [title 41](#), Idaho Code, to or as to any person whose license has been revoked or continuance refused until after the expiration of not less than one (1) year, to a maximum of five (5) years, from the date of such revocation or refusal, which time period shall be set forth in the final order, or, if judicial review of such revocation or refusal is sought, not less than one (1) year, to a maximum of five (5) years, from the date of a final court order or decree affirming the revocation or refusal. If no time period is specified in the final order or final court order or decree, the time period shall be one (1) year. In the event the former licensee again files an application for a license under [title 41](#), Idaho Code, the director may require the applicant to show good cause why the prior revocation or refusal to continue his license shall not be deemed a bar to the issuance of a new license.

(4) The director shall not issue a license under [title 41](#), Idaho Code, to any person whose application for a license was previously denied until after the expiration of one (1) year from the date of such license denial or, if judicial review of such license denial is sought, one (1) year from the date of a final court order or decree affirming the license denial.

[41-1026, added 2001, ch. 296, sec. 3, p. 1061; am. 2016, ch. 50, sec. 2, p. 146.]

41-1027. RETURN OF LICENSE. (1) All licenses, although issued and delivered as to the licensee producer, adjuster or surplus lines broker, shall at all times be the property of the state of Idaho. Upon any expiration, termination, suspension or revocation of the license, the licensee or other person having possession or custody of the license shall deliver it to the director either by personal delivery or by mail.

(2) In the case of any license that is lost, stolen or destroyed while in the possession of a licensee or other person, the director may, in lieu of the return of the license, accept the affidavits of the licensee or other person responsible for or involved in the safekeeping of such license concerning the facts of the loss, theft or destruction.

[41-1027, added 2001, ch. 296, sec. 3, p. 1062.]

41-1028. INACTIVE STATUS. (1) Any individual producer who does not want to actively continue in the business of insurance may apply for inactive status of his license on forms prescribed by the director. The director, in his discretion, may grant or deny the application for inactive status and shall notify the licensee of this decision in writing. Inactive status of a license, once granted, shall apply to all licenses held by the licensee and shall continue in force until reactivated pursuant to this section or until the license is suspended or revoked pursuant to this chapter.

(2) During the period that a licensee remains on inactive status, the licensee may not transact the business of insurance in this state or engage in any other insurance activity which requires an active license. A licensee on inactive status may, subject to the terms of an insurer's contract with the licensee, continue to receive commissions or other compensation relative to business written by such licensee during active license status.

(3) Any individual producer whose license is placed on inactive status shall be exempt from compliance with continuing education requirements.

(4) An individual producer whose license is placed on inactive status shall be subject to payment of the applicable continuation fees.

(5) An individual producer whose license is on inactive status may apply for reactivation of a license on forms prescribed by the director. The request for reactivation shall include proof of completion of twenty (20) hours of continuing education earned during the twelve (12) months prior to reactivation or proof that the producer has retested and met the examination requirements as to any line or kind of insurance to be transacted under the reactivated license. The director, in his discretion, may grant or deny the application for reactivation.

[41-1028, added 2001, ch. 296, sec. 3, p. 1062.]

41-1029. SEVERABILITY. If any provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of this chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

[41-1029, added 2001, ch. 296, sec. 3, p. 1062.]

41-1030. PRODUCER COMPENSATION. (1) For purposes of this section:

(a) "Consumer" means an insured, a prospective insured or an employer group.

(b) "Retail producer" means a producer who solicits, negotiates with or sells an insurance contract directly to a consumer.

(c) "Wholesale producer" means a producer who solicits, negotiates or sells an insurance contract directly with a retail producer, but not with a consumer.

(2) Notwithstanding any other provision of [title 41](#), Idaho Code, and as provided in this subsection, retail producers and wholesale producers may charge a fee or be compensated by a combination of fees and commissions.

(a) Before charging a fee to a consumer, a retail producer shall provide to the consumer a written statement that describes the services the retail producer will perform and the fees the retail producer will receive. Acceptance by the consumer of a fee arrangement shall be evidenced by the consumer signing and dating the fee statement.

(b) Before charging a fee to a retail producer, a wholesale producer shall provide to the retail producer a written statement that describes the services the wholesale producer will perform and the fees the wholesale producer will receive. Information regarding the amount of the fees charged by the wholesale producer shall be disclosed in writing on the face of the policy as a separately itemized charge.

[41-1030, added 2002, ch. 359, sec. 1, p. 1017.]

41-1036. RECORDS. (1) A producer holding a license under this chapter shall make available through his principal place of business complete records of transactions placed through or countersigned by the producer.

(2) Records as provided in subsection (1) of this section shall include, but not be limited to:

- (a) The names and addresses of insurer and insured;
- (b) The number and expiration date of the policy or contract;
- (c) The premium payable as to the policy or contract;
- (d) The date, time, insurer, insured and coverage of every binder made by the producer;
- (e) All disclosures made by a producer to an insured or to a prospective insured; and
- (f) Such other information as the director may reasonably require.

(3) The records shall be kept available for inspection by the director for at least five (5) years after the creation or the completion, whichever is later, of the respective transactions. The records may be maintained off-site and in electronic form if the records can be made available for inspection through the producer's principal place of business upon reasonable notice by the director.

[41-1036, added 2001, ch. 162, sec. 1, p. 571; am. 2002, ch. 281, sec. 4, p. 824; am. 2007, ch. 278, sec. 1, p. 809.]

41-1037. REQUIREMENTS FOR BAIL AGENTS -- FINDINGS -- PURPOSE. (1) Sections [41-1037](#) through [41-1045](#), Idaho Code, provide requirements for the regulation of bail agents in this state in addition to the requirements generally applicable to producers under this chapter.

(2) The legislature finds that:

- (a) Bail agents provide an important local retail service to the retail consumers of bail bonds;
- (b) Retail consumers of bail bonds and bail agents require a uniform and consistent regulatory framework that governs retail bail practices; and
- (c) There is a need to provide consumer protection from unscrupulous and unfair practices.

(3) The purpose of this chapter is to provide that the department shall uniformly and exclusively license bail agents throughout the state of Idaho and that the department shall regulate such agents and bail transactions, provided the supreme court shall retain its inherent authority to regulate the transaction of bail with the court, including promulgating rules and uniform guidelines.

[41-1037, added 2003, ch. 104, sec. 1, p. 328; am. 2010, ch. 86, sec. 1, p. 165.]

41-1038. DEFINITIONS. As used in sections [41-1037](#) through [41-1045](#), Idaho Code:

(1) "Bail" means a monetary amount required by the court to release the defendant from custody and to ensure his appearance in court as ordered.

(2) "Bail agent" means a person who is a licensed producer in the line of surety insurance that is authorized by an insurer to execute or countersign undertakings of bail in connection with judicial proceedings.

(3) "Bail bond" means a financial guarantee, posted by a bail agent and underwritten by a surety insurance company, that the defendant will appear as ordered.

(4) "Collateral" means property of any kind given as security to obtain a bail bond.

(5) "Department" means the department of insurance.

(6) "Director" means the director of the department of insurance.

(7) "Person" means an individual or a business entity.

(8) "Retail consumers of bail bonds" means a defendant and any person who provides collateral to obtain any portion of a bail bond.

(9) "Surety" or "surety insurance company" means an admitted insurer authorized in the line of surety pursuant to [title 41](#), Idaho Code.

[41-1038, added 2003, ch. 104, sec. 2, p. 329; am. 2010, ch. 86, sec. 2, p. 165.]

41-1039. LICENSE REQUIRED. (1) No person shall hold himself out to be a bail agent or sell, solicit, negotiate, advise or consult regarding the terms of bail bond contracts in this state unless that person is licensed as a producer in the line of surety insurance. The director is vested with the exclusive authority to license bail agents and the authority to regulate the solicitation, negotiation and transaction of bail with retail consumers of bail bonds, provided however, that a court retains the authority to refuse to accept bail bonds from a surety or a bail agent pursuant to its inherent authority, pursuant to Idaho Code, or as provided by supreme court rules, guidelines or appellate decisions.

(2) A bail agent is authorized to execute and countersign undertakings of bail, including bail bonds, in connection with any judicial proceedings in each of the judicial districts of the state. Any sheriff or clerk of the district court shall accept bail bonds only from a bail agent, unless otherwise ordered by the court pursuant to subsection (1) of this section.

(3) In addition to the authority to revoke, suspend or refuse to issue a bail agent's license pursuant to section [41-1016](#), Idaho Code, the director shall suspend a license for a period not to exceed six (6) months, after mailing notice to the last known address of the bail agent but prior to a hearing, if such bail agent:

(a) Has been convicted or has entered a guilty plea to any felony or to a misdemeanor evidencing theft, dishonesty, intimidation, threats, or violence; or

(b) Intentionally and fraudulently makes a false statement to a court in connection with a bail transaction.

(4) In addition to the provisions of subsection (3) of this section, the director may also suspend a license for a period not to exceed six (6) months, after mailing notice to the last known address of the bail agent but prior to a hearing, for reasons set forth in the rules of the department.

[41-1039, added 2003, ch. 104, sec. 3, p. 329; am. 2010, ch. 86, sec. 3, p. 166; am. 2013, ch. 36, sec. 1, p. 77; am. 2019, ch. 266, sec. 3, p. 780.]

41-1039A. NOTICE. In the event that the director revokes or suspends a bail agent's license or a surety's certificate of authority, or lifts such revocation or suspension, the director shall immediately notify all judicial district trial court administrators and all sureties with whom the

agent is appointed of the effective date of such revocation or suspension or of the lifting of such revocation or suspension.

[41-1039A, added 2010, ch. 86, sec. 4, p. 167.]

41-1040. BOND REQUIRED. After January 1, 2004, a producer shall not act as a bail agent unless the producer first files with the department and thereafter maintains in force a surety performance bond, executed by an authorized surety insurer, in favor of the director in the amount of fifteen thousand dollars (\$15,000). Such bond shall be held in trust for the benefit and protection of the public against a judicial or administrative determination by the department of loss by acts of fraud or dishonesty by the bail agent.

[41-1040, added 2003, ch. 104, sec. 4, p. 329; am. 2010, ch. 86, sec. 5, p. 167.]

41-1041. RECORDS. (1) The bail agent shall provide copies of the bail contract, premium receipts, collateral receipts, and any related documents to the defendant and any cosigner at the time of the bail transaction.

(2) In addition to the records set forth in section [41-1036](#), Idaho Code, a bail agent shall also maintain complete records pertaining to any collateral received and any charges collected for any bail bond transaction for at least five (5) years after the liability of the surety has been terminated.

[41-1041, added 2003, ch. 104, sec. 5, p. 329.]

41-1042. COLLECTIONS AND CHARGES PERMITTED. (1) Notwithstanding any other provision of this chapter, a bail agent in any bail transaction shall not, directly or indirectly, charge or collect money or other valuable consideration from any person except for the following:

(a) To pay premiums at the rates established by the insurer;

(b) To provide collateral;

(c) To reimburse the bail agent for actual expenses incurred in connection with the bail transaction, limited to the following:

(i) Expenditures actually and reasonably incurred to verify underwriting information or to pay for notary public fees, recording fees, or necessary long distance telephone or telegram fees; provided however, that the total of all such expenditures reimbursed shall not exceed fifty dollars (\$50.00); and

(ii) Travel expenses incurred more than twenty-five (25) miles from a bail agent's place of business, which includes any city or locality in which the bail agent advertises or engages in bail business, up to the amount allowed by the internal revenue service for business travel for the year in which the travel occurs.

(2) Except as permitted under this section, a bail agent shall not make any charge for his service in a bail transaction and the bail agent shall fully document all expenses for which the bail agent seeks reimbursement.

[41-1042, added 2003, ch. 104, sec. 6, p. 330.]

41-1043. COLLATERAL. (1) A bail agent may accept collateral in connection with the bail bond transaction if the collateral is not excessive in relation to the face amount of the bond.

(2) All collateral received by a bail agent is received in a fiduciary capacity.

(a) Collateral received in the form of cash must be deposited and maintained in a trust account that is separate and apart from any other funds or assets of the bail agent.

(b) Collateral other than cash must be maintained in a separate and secure location apart from the assets of the bail agent.

(3) Collateral received must be returned to the person who deposited the collateral with the bail agent within fourteen (14) days of the date notice is received that the obligation, the satisfaction of which was secured by collateral, is discharged.

(4) A copy of the order of the court wherein the bail or undertaking was ordered exonerated shall be deemed prima facie evidence of exoneration or termination of the liability.

(5) If a bail agent accepts collateral, the bail agent shall give a written receipt for the collateral to the person from whom the collateral was received. The receipt shall include a full and detailed accounting of the collateral received.

[41-1043, added 2003, ch. 104, sec. 7, p. 330.]

41-1044. EARLY SURRENDER OF DEFENDANT TO CUSTODY -- RETURN OF PREMIUM. (1) A bail agent shall immediately return in full all premium and collateral associated with a bail transaction if the bail agent without good cause or in violation of the bail contract surrenders the defendant to custody before the time specified in the undertaking of bail or the bail bond for the appearance of the defendant or, if no time is specified in the undertaking or bond, before the time the defendant is lawfully required to appear in court.

(2) A bail agent has good cause for the early surrender of a defendant if the defendant has changed addresses without notifying the bail agent, engaged in self-concealment, left the jurisdiction of the court without permission of the bail agent or the court, materially breached the terms of the bail contract, or has otherwise acted in a manner that materially increases the risk of loss assumed by the bail agent or surety. A failure to pay the premium when due shall constitute good cause for early surrender only if at the time of the bail transaction the bail agent obtains the payor's signature on a written statement clearly stating the amount of premium due, the date by which the premium must be paid and that the failure to pay the premium by the due date will result in the early surrender of the defendant and forfeiture of any premium paid.

(3) Before surrendering a defendant early for good cause, a bail agent shall prepare a signed and dated written statement fully describing the facts upon which the agent relied in determining that good cause exists for the early surrender of the defendant. The statement shall be maintained as a record of the bail transaction and shall be made available to the department upon request. A bail agent who surrenders a defendant early for good cause shall not be entitled to seek recovery of any unpaid premium.

[41-1044, added 2003, ch. 104, sec. 8, p. 331.]

41-1045. RESPONSIBILITY FOR ACTIONS OF OTHERS. For purposes of licensing and regulation under [title 41](#), Idaho Code, a bail agent is responsible for the actions of the bail agent's employees, contractors and agents acting

on the bail agent's behalf in relation to bail transactions and matters arising out of bail transactions.

[41-1045, added 2003, ch. 104, sec. 9, p. 331.]

41-1081. REQUIREMENTS FOR SALE OF PORTABLE ELECTRONICS INSURANCE -- FINDINGS -- PURPOSE. (1) Sections [41-1081](#) through [41-1089](#), Idaho Code, set forth requirements for the sale of portable electronics insurance in this state.

(2) The legislature finds that portable electronics insurers and insurance producers who sell, solicit or negotiate the offer or sale of such insurance in this state shall be supervised and regulated by the department of insurance in a uniform and consistent manner.

[41-1081, added 2012, ch. 226, sec. 3, p. 620.]

41-1082. DEFINITIONS. As used in sections [41-1081](#) through [41-1089](#), Idaho Code:

(1) "Customer" means a person who purchases portable electronics or services.

(2) "Enrolled Customer" means a customer who purchases coverage under a portable electronics insurance policy issued to a vendor of portable electronics, which vendor would be the insured under a master or group policy.

(3) "Location" means any physical location in the state of Idaho or any website, call center site or similar location directed to residents of the state of Idaho.

(4) "Portable electronics" means electronic devices that are portable in nature and includes accessories and any services related to the use of such device.

(5) (a) "Portable electronics insurance" means insurance providing coverage for the repair or replacement of portable electronics against any one (1) or more of the following causes of loss: loss of the portable electronic device, theft, inoperability due to mechanical failure, malfunction, damage or other similar causes of loss;

(b) "Portable electronics insurance" does not include:

- (i) A service contract as defined in section [41-114A](#), Idaho Code;
- (ii) A policy of insurance covering a seller's or a manufacturer's obligations under a warranty; or
- (iii) A homeowner's, renter's, private passenger automobile, commercial multi-peril or similar insurance policy.

(6) "Portable electronics transaction" means:

- (a) The sale or lease of portable electronics by a vendor to a customer;
- or
- (b) The sale of a service related to the use of portable electronics by a vendor to a customer.

(7) "Supervising entity" means a business entity that is a licensed insurer or insurance producer that is authorized by an insurer to supervise the administration of a portable electronics insurance program.

(8) "Vendor" means a person in the business of engaging in portable electronics transactions directly or indirectly.

[41-1082, added 2012, ch. 226, sec. 4, p. 621.]

41-1083. LICENSURE OF VENDORS. (1) A vendor is required to hold a limited lines license to sell or offer coverage under a policy of portable electronics insurance.

(2) A limited lines license issued pursuant to the provisions of this section shall authorize any employee or authorized representative of the vendor to sell or offer coverage under a policy of portable electronics insurance to a customer at each location at which the vendor engages in portable electronics transactions.

(3) The supervising entity shall maintain a registry of vendor locations that are authorized to sell or solicit portable electronics insurance coverage in this state. Upon request by the director to the supervising entity, the registry shall be open to inspection and examination by the director during regular business hours of the supervising entity.

(4) Notwithstanding any other provision of law, a limited lines license issued pursuant to this section shall authorize the licensee and its employees or authorized representatives to engage in those activities that are permitted in this section.

[41-1083, added 2012, ch. 226, sec. 5, p. 621.]

41-1084. REQUIREMENTS FOR SALE OF PORTABLE ELECTRONICS INSURANCE. (1) At every location where portable electronics insurance is offered or sold to customers, brochures or other written materials must be provided by the vendor to a prospective customer which:

(a) Disclose that portable electronics insurance may duplicate coverage already provided by a customer's homeowner's insurance policy, renter's insurance policy or other source of insurance coverage;

(b) State that the purchase by the customer of a portable electronics insurance policy is not required in order to purchase or lease portable electronics or related services;

(c) Summarize the material terms of the insurance coverage, including:

(i) The identity of the insurer;

(ii) The identity and contact information of the supervising entity;

(iii) The amount of any applicable deductible and how it is to be paid;

(iv) Benefits of the insurance coverage; and

(v) Key terms and conditions of the insurance coverage such as whether portable electronics may be repaired or replaced with similar make and model, reconditioned or nonoriginal manufacturer parts or equipment;

(d) Set forth the process for filing a claim, including a description of how to return portable electronics and any deadlines applicable thereto, any fees that may apply and the maximum fee applicable in the event the customer fails to comply with any equipment return requirements; and

(e) State that an enrolled customer may cancel enrollment for coverage under a portable electronics insurance policy at any time and that the person who paid the premium shall receive a pro rata refund or credit of any applicable unearned premium.

(2) The director may order a vendor to stop using any brochure or other written material that violates the requirements of this section or is otherwise found to be misleading or false.

(3) Portable electronics insurance may be offered on a month to month or other periodic basis as a group or master commercial inland marine policy issued to a vendor of portable electronics for its enrolled customers.

(4) Eligibility and underwriting standards for customers electing to purchase portable electronics insurance coverage shall be established for each portable electronics insurance program by the insurer issuing a policy to a vendor.

[41-1084, added 2012, ch. 226, sec. 6, p. 622.]

41-1085. AUTHORITY OF VENDORS OF PORTABLE ELECTRONICS. (1) Notwithstanding any other provision of law, the employees and authorized representatives of vendors may sell or offer portable electronics insurance to customers and shall not be subject to licensure as an insurance producer under the provisions of this chapter provided that:

(a) The vendor obtains a limited lines license to authorize its employees or authorized representatives to sell or offer portable electronics insurance pursuant to the provisions of this section;

(b) The insurer issuing the portable electronics insurance either directly supervises or appoints a supervising entity who shall supervise the administration of the program, to include development of a training program for employees and authorized representatives of the vendors concerning the applicable requirements of this chapter prior to the transaction of any personal electronics insurance. The training required by the provisions of this section shall comply with the following:

(i) The training shall be delivered to employees and authorized representatives of a vendor who are directly engaged in the activity of selling or offering portable electronics insurance;

(ii) The training may be provided in electronic form. However, if conducted in an electronic form, the supervising entity shall implement a supplemental education program regarding the portable electronics insurance product being offered or sold that is conducted and overseen by employees of the supervising entity that are licensed pursuant to this chapter;

(iii) Each employee and authorized representative shall receive basic instruction concerning the portable electronics insurance offered to customers and the disclosures required pursuant to section [41-1084](#), Idaho Code; and

(c) No employee or authorized representative of a vendor of portable electronics shall advertise, represent or otherwise hold himself out as a limited lines or other licensed insurance producer.

(2) The charges for portable electronics insurance coverage may be billed and collected by the vendor of portable electronics. Any charge to the enrolled customer for portable electronics insurance coverage that is not included in the cost associated with the purchase or lease of portable electronics or related services shall be separately itemized on the enrolled customer's bill. If the portable electronics insurance coverage is included with the purchase or lease of portable electronics or related services, the vendor shall clearly and conspicuously disclose to the enrolled customer that the portable electronics insurance coverage is included in the portable electronics or related services purchased. Vendors billing and collecting such charges shall not be required to maintain such funds in a segregated account, provided that the vendor is authorized by the insurer to hold such

funds in a nonsegregated account and is required to remit such amounts to the supervising entity within sixty (60) days of receipt. All funds received by a vendor from an enrolled customer for the sale of portable electronics insurance shall be considered funds held in trust by the vendor in a fiduciary capacity for the benefit of the insurer. Failure to do so is a violation of this section. Vendors may receive compensation for billing and collection services.

[41-1085, added 2012, ch. 226, sec. 7, p. 622.]

41-1086. RESPONSIBILITY FOR ACTIONS OF OTHERS. For purposes of licensing and regulation under [title 41](#), Idaho Code, a portable electronics limited lines licensee shall be responsible for the actions of the licensee's employees and authorized representatives acting on the licensee's behalf in relation to portable electronics insurance transactions and matters arising out of the same. Any violation of this chapter by the licensee's employees and authorized representatives acting on the licensee's behalf shall be considered a violation by the licensee.

[41-1086, added 2012, ch. 226, sec. 8, p. 623.]

41-1087. SUSPENSION OR REVOCATION OF LICENSE. If a vendor of portable electronics or its employee or authorized representative violates any applicable provision of this chapter including, but not limited to, section [41-1016](#), Idaho Code, or applicable provisions of [chapter 13, title 41](#), Idaho Code, or an applicable rule, the director may:

(1) Impose an administrative penalty pursuant to section [41-117](#), Idaho Code. However, penalties arising from the same or similar conduct shall not exceed fifty thousand dollars (\$50,000) in the aggregate; and

(2) Impose other penalties that the director deems necessary and reasonable, including:

(a) Prohibiting such vendor from transacting portable electronics insurance pursuant to the provisions of this section at specific business locations where violations have occurred or from using specific employees or representatives in the transaction of portable electronics insurance; and

(b) Suspending, revoking or refusing to renew the license of such vendor.

[41-1087, added 2012, ch. 226, sec. 9, p. 624.]

41-1088. TERMINATION OF PORTABLE ELECTRONICS INSURANCE. Notwithstanding any other provision of law:

(1) An insurer may terminate or otherwise change the terms and conditions of a policy of portable electronics insurance only upon providing the policyholder and enrolled customers with at least thirty (30) days' notice.

(2) If the insurer changes the terms and conditions, then the insurer shall provide the vendor policyholder with a revised policy or endorsement and each enrolled customer with a revised certificate, endorsement, updated brochure or other evidence indicating that a change in the terms and conditions has occurred and a summary of material changes. An enrolled customer shall be entitled to reject any change to the terms and conditions or cancel coverage, and the person who paid the premium shall receive a pro rata refund

or credit of any applicable unearned premium within sixty (60) days of the receipt of notice from the customer that he wishes to cancel coverage.

(3) Notwithstanding subsection (1) of this section, an insurer may terminate an enrolled customer's enrollment under a portable electronics insurance policy upon fifteen (15) days' notice for discovery of fraud or material misrepresentation in obtaining coverage or in the presentation of a claim thereunder.

(4) Notwithstanding subsection (1) of this section, an insurer may immediately terminate an enrolled customer's enrollment under a portable electronics insurance policy:

(a) For nonpayment of premium;

(b) If the enrolled customer ceases to have an active service with the vendor of portable electronics; or

(c) If an enrolled customer exhausts the aggregate limit of liability under the terms of the portable electronics insurance policy and the insurer sends notice of termination to the enrolled customer within thirty (30) calendar days after exhaustion of the limit. However, if notice is not timely sent, enrollment shall continue notwithstanding the aggregate limit of liability until the insurer sends notice of termination to the enrolled customer and specifies the date of such termination.

(5) Where a portable electronics insurance policy is terminated by a policyholder, the policyholder shall mail or deliver written notice to each enrolled customer advising the enrolled customer of the termination of the policy and the effective date of termination. The written notice shall be mailed or delivered to the enrolled customer at least thirty (30) days prior to the termination, and any unearned premium shall be returned to the policyholder within sixty (60) days of such termination.

(6) An enrolled customer may cancel enrollment for coverage under a portable electronics insurance policy at any time, and the person paying the premium shall receive a pro rata refund or credit of any applicable unearned premium within sixty (60) days of the receipt of notice of cancellation from the customer.

(7) Whenever notice or correspondence with respect to a policy of portable electronics insurance is required pursuant to the provisions of this section or is otherwise required by law, it shall be in writing and sent within the required notice period, if any, specified within the statute or regulation requiring the notice or correspondence. Notwithstanding any other provision of law, notices and correspondence may be sent either by mail or by electronic means if agreed to by the customer pursuant to section [28-50-105](#), Idaho Code, and as set forth in this subsection. If the notice or correspondence is mailed, it shall be sent to the vendor of portable electronics at the vendor's mailing address specified for such purpose and to each affected enrolled customer's last known mailing address on file with the insurer. The insurer or vendor of portable electronics, as the case may be, shall maintain proof of mailing in a form authorized or accepted by the United States postal service or other commercial mail delivery service. If the notice or correspondence is sent by electronic means, it shall be sent to the vendor of portable electronics at the vendor's electronic mail address specified for such purpose and to each affected enrolled customer's last known electronic mail address as provided by each enrolled customer to the insurer or vendor of portable electronics at the time of purchase of the portable electronics insurance coverage. For purposes of this

subsection, an enrolled customer's provision of an electronic mail address to the insurer or vendor of portable electronics shall be deemed consent to receive notices and correspondence by electronic means at such address as long as notice of that consent is provided to the customer within thirty (30) days or less by mail or electronic means. The insurer or vendor of portable electronics shall maintain proof that the notice or correspondence was sent.

(8) Notice or correspondence required by this section or otherwise required by law may be sent on behalf of an insurer or vendor by the supervising entity appointed by the insurer.

[41-1088, added 2012, ch. 226, sec. 10, p. 624; am. 2017, ch. 114, sec. 1, p. 265.]

41-1089. APPLICATION FOR LICENSE AND FEES. (1) A sworn application for a limited lines license to sell, solicit or negotiate portable electronics insurance shall be completed and filed with the department of insurance on forms prescribed by the director to include such information as the director deems necessary.

(2) The application shall:

(a) Provide the name, residence address and other information required by the director for an employee or officer of the vendor that is designated by the applicant as the person responsible for the vendor's compliance with the requirements of this chapter, which designation shall satisfy the requirements of section [41-1007](#)(2)(b), Idaho Code. However, if the vendor derives more than fifty percent (50%) of its revenue from the sale of portable electronics insurance, the information noted in this subsection shall be provided for all officers, directors, and shareholders of record having beneficial ownership of ten percent (10%) or more of the vendor;

(b) Provide the location of the applicant's home office, both street address and mailing address, and phone number where such applicant may be reached during regular business hours; and

(c) Provide the syllabus for the training program that is developed by the supervising entity or the insurer that issued the portable electronics insurance policy to the vendor.

(3) Any vendor engaging in portable electronics insurance transactions on or before the effective date of sections [41-1081](#) through [41-1089](#), Idaho Code, must apply for licensure within ninety (90) days of the application being made available to the vendor by the director. Any applicant commencing operations after the effective date of sections [41-1081](#) through [41-1089](#), Idaho Code, must obtain a license prior to offering or selling portable electronics insurance.

(4) Notwithstanding any other provision of law, applicants for licensure pursuant to sections [41-1081](#) through [41-1089](#), Idaho Code, whose home state does not issue a producer license with a similar line of authority as the license authorized by such sections shall be issued a portable electronics limited lines license upon satisfying all applicable requirements of this chapter. However, any licensee whose home state does not authorize a limited lines license for portable electronics insurance in its home state after July 1, 2014, or such later date as may be determined by the director, shall obtain a property and casualty license under [title 41](#), Idaho Code, or its license shall terminate in Idaho. For the purposes of this subsection, "home state" means the District of Columbia and any state or territory of the United States except Idaho, or any province of Canada, in which an applicant

maintains such person's principal place of residence or principal place of business.

(5) Initial licenses issued pursuant to sections [41-1081](#) through [41-1089](#), Idaho Code, shall be valid for a period of twenty-four (24) months and expire thereafter unless renewed by the director upon completion of forms required by the director and payment of fees consistent with the provisions of this chapter.

(6) Each vendor of portable electronics licensed pursuant to this chapter shall pay to the director a fee of one thousand dollars (\$1,000) for an initial portable electronics limited lines license and five hundred dollars (\$500) for each renewal thereof. However, for a vendor engaged in portable electronics transactions at ten (10) or fewer locations in the state of Idaho, the fee shall not exceed one hundred dollars (\$100) for an initial license and for each renewal thereof.

[41-1089, added 2012, ch. 226, sec. 11, p. 625.]

41-1090. SHORT TITLE. Sections [41-1090](#) through [41-1096](#), Idaho Code, shall be known and may be cited as the "Limited Lines Travel Insurance Act."

[41-1090, added 2017, ch. 198, sec. 2, p. 495.]

41-1091. DEFINITIONS. As used in this chapter:

(1) "Designated responsible producer" means the individual licensed producer responsible for ensuring compliance by the limited lines travel insurance producer with travel insurance laws and rules of the state, as set forth in section [41-1092](#) (2) (c), Idaho Code.

(2) "Limited lines travel insurance producer" means a person who is a limited lines producer as defined in section [41-1003](#), Idaho Code.

(3) "Offer and disseminate" means providing general information, including a description of the coverage and price, as well as processing the application, collecting premiums and performing other activities permitted by the state.

(4) "Travel insurance" means insurance coverage for personal risks incident to planned travel including, but not limited to:

- (a) Interruption or cancellation of a trip or event;
- (b) Loss of baggage or personal effects;
- (c) Damages to accommodations or rental vehicles; and
- (d) Sickness, accident, disability or death occurring during travel.

"Travel insurance" does not include major medical plans that provide comprehensive medical protection for travelers with trips lasting six (6) months or longer, including those working overseas as an expatriate or military personnel being deployed.

(5) "Travel retailer" means a business entity that makes, arranges or offers travel services and may offer and disseminate travel insurance as a service to its customers on behalf of and under the direction of a limited lines travel insurance producer.

[41-1091, added 2017, ch. 198, sec. 3, p. 495.]

41-1092. REQUIREMENTS FOR LIMITED LINES TRAVEL INSURANCE PRODUCERS. Notwithstanding any other provision of law:

(1) The director may issue to an individual or business entity that has filed with the director an application, in a form and manner prescribed by

the director, a limited lines travel insurance producer license that authorizes the limited lines travel insurance producer to sell, solicit or negotiate travel insurance on behalf of a licensed insurer.

(2) A travel retailer may offer and disseminate travel insurance under a limited lines travel insurance producer's business entity license only if the following conditions are met:

(a) The limited lines travel insurance producer provides to policyholders of travel insurance:

(i) A description of the material terms or the actual material terms of the insurance coverage;

(ii) A description of the process for filing a claim;

(iii) A description of the review or cancellation process for the travel insurance policy, including any forfeiture fees; and

(iv) The identity and contact information of the insurer and limited lines travel insurance producer.

(b) At the time of licensure, the limited lines travel insurance producer shall establish and maintain a register on a form prescribed by the director of each travel retailer that offers travel insurance on the limited lines travel insurance producer's behalf. The register shall be maintained and updated annually, at a minimum, by the limited lines travel insurance producer and shall include the name, address, and contact information of the travel retailer and an officer or person who directs or controls the travel retailer's operations, as well as the travel retailer's federal tax identification number. The limited lines travel insurance producer shall submit such register from the previous year to the department on March 1 of each year. The limited lines travel insurance producer shall also certify that the registered travel retailer complies with 18 U.S.C. 1033. The limited lines travel insurance producer shall report its Idaho annual written premium to the director on an annual basis.

(c) The limited lines travel insurance producer has designated one (1) of its employees, who is a licensed individual producer, as a designated responsible producer who shall be responsible for the limited lines travel insurance producer's compliance with the travel insurance laws, rules and regulations of the state.

(d) The designated responsible producer, president, secretary, treasurer and any other officer or person who directs or controls the limited lines travel insurance producer's insurance operations shall comply with the fingerprinting requirements applicable to insurance producers in the resident state of the limited lines travel insurance producer.

(e) The limited lines travel insurance producer has paid all applicable insurance producer licensing fees as set forth in applicable state law.

(f) The limited lines travel insurance producer requires each employee and authorized representative of the travel retailer whose duties include offering and disseminating travel insurance to receive a program of instruction or training that shall be subject to review by the director. The training material shall, at a minimum, contain instructions on the types of insurance offered, ethical sales practices and required disclosures to prospective customers.

(3) Any travel retailer offering or disseminating travel insurance shall make available to prospective purchasers brochures or other written materials that:

(a) Provide the identity and contact information of the insurer and the limited lines travel insurance producer;

(b) Explain that the purchase of travel insurance is not required in order to purchase any other product or service from the travel retailer; and

(c) Explain that an unlicensed travel retailer is permitted to provide general information about the insurance offered by the travel retailer, including a description of the coverage and price, but is not qualified or authorized to answer technical questions about the terms and conditions of the insurance offered by the travel retailer or to evaluate the adequacy of the customer's existing insurance coverage.

(4) A travel retailer's employees or authorized representatives who are not licensed as insurance producers may not:

(a) Evaluate or interpret the technical terms, benefits and conditions of the offered travel insurance coverage;

(b) Evaluate or provide advice concerning a prospective purchaser's existing insurance coverage; or

(c) Hold himself or itself out as a licensed insurer, licensed producer or insurance expert.

[41-1092, added 2017, ch. 198, sec. 4, p. 495.]

41-1093. REGISTRATION REQUIRED. A travel retailer, whose insurance-related activities and those of its employees and authorized representatives are limited to offering and disseminating travel insurance, on behalf of and under the direction of a limited lines travel insurance producer meeting the conditions stated in this chapter, is authorized to do so and receive related compensation upon registration by the limited lines travel insurance producer as described in section [41-1092](#) (2) (b), Idaho Code.

[41-1093, added 2017, ch. 198, sec. 5, p. 497.]

41-1094. TYPE OF POLICY. Travel insurance may be provided under an individual policy or under a group or master policy.

[41-1094, added 2017, ch. 198, sec. 6, p. 497.]

41-1095. RESPONSIBILITY OF LIMITED LINES TRAVEL INSURANCE PRODUCERS. As the insurer designee, the limited lines travel insurance producer is responsible for the acts of the travel retailer and shall use reasonable means to ensure compliance by the travel retailer with this chapter.

[41-1095, added 2017, ch. 198, sec. 7, p. 497.]

41-1096. NO NEGATIVE OPTION OR OPT OUT. No person offering travel insurance on an individual or group basis may do so using a negative option or option to opt out, that would require a consumer to take an affirmative action to deselect coverage such as unchecking a box on an electronic form when purchasing a trip. It shall not be an unfair trade practice to include blanket travel insurance coverage with the purchase of a trip, provided the coverage is not marketed as free.

[41-1096, added 2017, ch. 198, sec. 8, p. 497.]

41-1097. ENFORCEMENT. The limited lines travel insurance producer and any travel retailer offering and disseminating travel insurance under the limited lines travel insurance producer license shall be subject to the provisions of section [41-1016](#), Idaho Code, and other applicable provisions of this title. Violations of this act shall be considered an unfair trade practice under [chapter 13, title 41](#), Idaho Code.

[41-1097, added 2017, ch. 198, sec. 9, p. 498.]