

STATE OF MAINE

—
IN THE YEAR OF OUR LORD
TWO THOUSAND TWENTY-FIVE

—
H.P. 567 - L.D. 881

An Act to Establish an Apprentice Insurance Producer License

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 24-A MRSA §1420-Q is enacted to read:

§1420-Q. Apprentice insurance producer license

Beginning January 1, 2026, the superintendent may issue an apprentice insurance producer license in accordance with this section and section 1420-J without requiring an examination. An applicant for a license as an apprentice insurance producer shall apply to the superintendent in the form and manner determined by the superintendent.

1. Licensing requirements. An apprentice insurance producer license may not be issued unless an applicant:

A. Is 18 years of age or older;

B. Is employed by a licensed resident insurance producer who has certified to the superintendent on a form prescribed by the superintendent that the licensed resident insurance producer will supervise the apprentice insurance producer licensee and will assume responsibility for all acts of the apprentice insurance producer licensee;

C. Has submitted an application for an insurance producer license and meets the requirements for an insurance producer license, except for passage of any required examination. The applicant and sponsor shall provide any information requested by the superintendent as part of the review of the application;

D. Has not previously held or been denied an insurance producer license under this Title in this State or a comparable insurance producer license in any other jurisdiction and has not previously been issued or denied an apprentice insurance producer license;

E. Is a resident of this State at the time of application and remains a resident of this State throughout the apprenticeship; and

F. Has paid the temporary licensing fee required by section 601, subsection 5, paragraph C and any applicable application fee.

2. Sponsor required. An apprentice insurance producer license may not be issued without the sponsorship of a licensed resident insurance producer. A sponsor shall complete

an application required by the superintendent. The sponsor may not have any restriction on the sponsor's producer license, including, but not limited to, being on probation or having any disciplinary reporting requirements to the superintendent. The sponsor must have held a Maine producer license in good standing for at least one year prior to applying to be a sponsor and must meet any other requirements established by the superintendent. The superintendent may revoke a sponsor's authorization to employ an apprentice insurance producer for failing to comply with any requirements of the sponsorship and for any of the reasons for disciplinary action under section 1420-K.

3. Legal responsibility. A sponsor who employs an apprentice insurance producer licensee assumes all legal responsibility for all acts of the apprentice insurance producer licensee who is employed by the sponsor.

4. License duration; nonrenewable. An apprentice insurance producer license may not be authorized for more than 180 days. After having completed 180 days as an apprentice insurance producer, the apprentice insurance producer may not engage in any insurance activities requiring an insurance producer license without obtaining an insurance producer license in accordance with the requirements of this subchapter.

5. Activities limited to risks located in this State. An apprentice insurance producer may perform only activities that would otherwise require an insurance producer license for risks located in this State and only for those activities for which the sponsor is authorized under the sponsor's licensing authority.

6. Appointment required. An apprentice insurance producer may not act as an agent of an insurer unless appointed by the insurer pursuant to section 1420-M.

7. Activities limited to those not requiring additional training or authority. An apprentice insurance producer may not perform any activities that require training or authority in addition to an insurance producer license, including activities under the federal Affordable Care Act, long-term care insurance and annuities. In addition, an apprentice insurance producer may not perform any activities otherwise requiring a producer license involving life insurance.

8. Limitations. The superintendent may limit the issuance of apprentice insurance producer licenses to no more than 2 active apprentice insurance producer licenses per sponsor during a calendar year. The superintendent may limit the authority of an apprentice insurance producer licensee in any way determined necessary, in addition to those specified in this subsection, to protect insureds and the public and may by order revoke an apprentice insurance producer license if the interest of insureds or the public is endangered or for any cause in section 1420-K, subsection 1.

9. Reporting of actions. An apprentice insurance producer and a sponsor shall report in a timely manner any actions involving the apprentice insurance producer in the same manner as required of a producer by section 1420-P.

10. Termination of apprenticeship. If an apprentice insurance producer is no longer employed by a sponsor prior to the end of the apprenticeship, or if the sponsor terminates the sponsorship prior to the end of the 180-day period under subsection 4, the sponsor and the apprentice insurance producer shall notify the superintendent within 5 business days of the end of employment or end of the sponsorship.

11. Rulemaking. The superintendent may issue guidance by rule or otherwise setting forth any additional requirements and limitations for apprentice insurance producer licensing and sponsorship, including eligible and ineligible lines of insurance and limitations or standards for commissions. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, chapter 2-A.