



**SENATE AMENDMENT 2,
TO 1995 SENATE BILL 533**

February 28, 1996 – Offered by COMMITTEE ON INSURANCE.

1 At the locations indicated, amend the bill as follows:

2 **1.** Page 1, line 8: after “insurers” insert: “, prohibited practices regarding
3 disciplined agents”.

4 **2.** Page 13, line 20: after that line insert:

5 “**SECTION 15m.** 628.345 of the statutes is created to read:

6 **628.345 Prohibited practices during license revocation or surrender.**

7 **(1)** In this section:

8 (a) “Disciplinary period” means the period of time beginning on the effective
9 date of the termination of the license of an intermediary under par. (b) 1. and ending
10 on the date on which a new license is issued to the intermediary. The “disciplinary
11 period” of a person under par. (b) 2., 3. or 4. is the disciplinary period of the
12 intermediary under par. (b) 1. through which the person attains the status of
13 “disciplined person”.

14 (b) “Disciplined person” means any of the following:

15 1. An intermediary whose license is revoked under s. 628.10 (2) (b) or
16 surrendered under a stipulation.

1 2. An affiliate of an intermediary under subd. 1.

2 3. A person in which an intermediary under subd. 1. has, directly or indirectly,
3 more than a 10% ownership interest.

4 4. An agent or employe of a person described in subd. 1., 2. or 3.

5 **(2)** During the disciplinary period of a disciplined person, the disciplined
6 person may not be employed by, act as agent for, or be affiliated with, a person
7 engaged in the business of an insurance intermediary.

8 **(3)** No person may do any of the following with respect to activities performed
9 in this state:

10 (a) Pay consideration to, or expenses of, a disciplined person that directly or
11 indirectly relate to services performed as an intermediary by the disciplined person
12 during the disciplinary period of the disciplined person.

13 (b) Pay consideration to, or expenses of, a disciplined person that directly or
14 indirectly relate to services performed as an intermediary by the person making the
15 payment, or by an agent, employe or affiliate of that person, during the disciplinary
16 period of the disciplined person.

17 (c) Pay consideration to, or expenses of, a disciplined person for information
18 directly or indirectly provided by the disciplined person during the disciplinary
19 period of the disciplined person for the purpose of assisting in the sale of insurance.

20 (d) Seek to obtain information from, or use information directly or indirectly
21 provided by, a disciplined person during the disciplinary period of the disciplined
22 person for the purpose of assisting in the sale of insurance.

23 (e) During the disciplinary period of a disciplined person, permit the disciplined
24 person to be present during solicitation of the sale of insurance, or knowingly solicit

1 the sale of insurance with the assistance of the disciplined person, regardless of
2 whether the disciplined person acts as an intermediary.

3 (f) During the disciplinary period of a disciplined person, use or refer to an
4 endorsement or referral by the disciplined person for the purpose of soliciting the sale
5 of insurance.

6 (4) (a) Except as provided in par. (b), this section applies to all of the following:

7 1. A disciplined person for whom the disciplinary period is in effect on or after
8 the effective date of this subdivision [revisor inserts date].

9 2. That portion of a disciplinary period in effect on or after the effective date
10 of this subdivision [revisor inserts date], that occurs on and after the effective date
11 of this subdivision [revisor inserts date].

12 (b) This section does not apply to an obligation incurred before the effective date
13 of this paragraph [revisor inserts date], for the payment of consideration to, or
14 expenses of, a disciplined person related to services performed or information
15 provided during the disciplinary period of the disciplined person but before the
16 effective date of this paragraph [revisor inserts date].”

17 **3.** Page 15, line 14: after that line insert:

18 “(2) The treatment of section 628.345 of the statutes takes effect on the first day
19 of the 7th month beginning after publication.”

20 (END)