

No. 552, S.]

[Published July 31, 1951.]

**CHAPTER 574.**

AN ACT to amend 200.13 (3) and to repeal and recreate 209.04 of the statutes, relating to certain insurance agents' licenses and fees.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION 1. 200.13 (3) of the statutes is amended to read:

200.13 (3) \* \* \* *Each agent's license shall require an annual license fee of \$1.*  
For each \* \* \* *license issued to a nonresident life insurance \* \* \* agent, \$10.*  
A separate \* \* \* *license shall be required for each company represented by an agent \* \* \* and for each member of any firm;*

SECTION 2. 209.04 of the statutes is repealed and recreated to read:

209.04 LICENSING OF AGENTS OTHER THAN LIFE. (1) APPLICATION; LICENSE; FEE. (a) "*Agent*" defined. The term "agent", as used in this section, shall mean any natural person, resident in this state, authorized by law to solicit, negotiate or effect contracts of insurance, other than life insurance. The term "agent" shall not include any regular salaried officer or employe, who does not solicit, negotiate or effect contracts of insurance. A regular salaried officer or employe of an authorized insurer shall not be deemed to be an agent by reason of rendering assistance to, or on behalf of an agent, provided that such salaried officer or employe devotes substantially all of his time to activities other than the solicitation of applications for insurance and receives no commission or other compensation directly dependent upon the amount of business obtained. It shall be unlawful for any person to act as an agent unless he holds an agent's license issued by the commissioner.

(b) *Application for agent's license.* 1. Every person desiring to act as an agent for a license so to do, in the manner hereinafter prescribed. The applicant for such license shall submit to the commissioner through the company his written application therefor and shall make a sworn statement on forms to be prepared by the commissioner, giving his name, age, residence, place of business and occupation for the 5-year period preceding the date of such application, the percentage of his time he intends to devote to the insurance business; whether he agrees to comply with the provisions of section 201.53 (3) with reference to compensation for effecting insurance upon his own property or other risk; whether he has been refused or has had suspended or revoked a license to solicit insurance applications by the commissioner or other proper supervising officials of any state; whether any insurance company claims that he is indebted to it under any agency contract or otherwise, and if so, what company, the nature of the claim and of his defense, if any; whether he has had an agency contract cancelled by any company and if so, when, by what company, and the reason for such action. No such application for license shall be required to be filed by an agent or company representative who on the effective date of this section was lawfully acting in such capacity.

2. The applicant shall be vouched for by an official or representative of the company for which he proposes to act, setting forth that the applicant is personally known to him; that the applicant is of good business reputation and worthy of a license. Such voucher shall be signed and sworn to by the person executing the same and shall be a part of the form of application prepared by the commissioner.

(c) *Issuance of agent's license.* If, upon the showing made, the commissioner is reasonably satisfied as to the fitness of the applicant to act as an agent, he shall issue the license for which the applicant applied.

(d) *Expiration of license.* The fee shall continue the license in force until the following November 1.

(2) **AUTHORITY UNDER LICENSE; REVOCATION; LISTS OF AGENTS.** (a) *Authority under license; revocation.* Any license issued to an agent shall authorize him to act as such agent during the time for which the company appointing him is authorized to do an insurance business in this state and during the time for which the agent's license fee has been paid and during the time such agent is a bona fide resident of this state. Upon revocation or termination of such license by the commissioner, such license shall be promptly returned to the commissioner.

(b) *Certification of agents by company.* Annually, prior to November 1 of each year, every insurance company licensed to do business in this state shall submit to the commissioner a list of all agents appointed by it to act within this state together with the required annual license fees. Such list shall be an alphabetical list by towns of all of its agents whose licenses are to remain in effect, with their respective office addresses. Any change in the address of an agent holding a license shall be promptly reported to the commissioner by the company for whom such agent acts.

(3) **CORPORATIONS EXCLUDED AS AGENTS.** No corporation shall be licensed as agent of any insurance company.

(4) **PENALTY.** Any person or company violating the provisions of this section shall be fined not more than \$500 for each offense.

(5) **EXCHANGE OF BUSINESS.** Nothing in this section shall be construed to prevent the proper exchange of business between lawfully licensed resident agents of this state.

(6) **REVOCATION OF LICENSE.** (a) *Grounds; notice.* Any agent's license may be revoked for cause by order of the commissioner after a hearing held upon 10 days' written notice of the time and place thereof.

(b) *Insurer's statement on termination.* Every insurer shall, upon termination of the appointment of any insurance agent, immediately file with the commissioner a statement of the facts relative to the termination of the appointment and the date and cause thereof. The commissioner shall thereupon terminate the license of such agent to represent such insurer in this state.

(7) **EXCLUSION FROM PROVISIONS.** The provisions of this section requiring licenses shall not apply to persons engaged in the following activities:

(a) *Life insurance.* Persons engaged in the business of life insurance exclusively and subject to licensing under other statutes of this state.

(b) *Town mutuals.* Persons engaged in the business of soliciting insurance exclusively for town mutual insurance companies.

(c) *Clerical help.* A person employed by an insurance agent or insurer solely for the performance of clerical, stenographic, or similar office duties who incidentally takes insurance applications and receives premiums if his compensation is not related to the volume of such applications, insurance, or premiums; or

(d) *Incidental transportation insurance.* The ticket selling agent of a railroad or steamship company, carrier by air, or public bus carrier, who shall act as agent or solicitor in the sale of accident insurance tickets to individuals, insurance on personal effects against loss or damages while being carried as baggage incident to the sale of a passenger's transportation ticket.

SECTION 3. This act shall take effect November 1, 1951.

Approved July 6, 1951.