

R590. Insurance, Administration.

R590-195. [~~Rental~~]Car Rental Related Licensing Rule.

R590-195-1. [~~Purpose~~.

~~— This rule establishes uniform criteria and procedures for the initial and renewal licensing of rental car related insurance agents and agencies, and sets standards of licensing and conduct for those in the rental car related insurance business in the State of Utah.~~

R590-195-2.]Authority.

This rule is promulgated [~~by the insurance commissioner~~] pursuant to:

~~(1) [the] Subsection[s] 31A-2-201(3) [authorizing] that authorizes the commissioner to adopt rules to implement the provisions of the Utah Insurance Code[~~]~~;~~

~~(2) Subsection 31A-23a-106(2)[~~(d)~~](b) [authorizing] that authorizes car rental related insurance as a [type limited lines insurance, ~~] limited line of authority of a limited line producer license type;~~~~

~~(3) Subsection 31A-23a-110(1) [gives] that authorizes the commissioner [the authority] to prescribe the form in which licenses covered under Chapter 23a are to be issued[~~, and 31A-23a-113(3) gives the commissioner the authority~~]; and~~

~~(4) Subsection 31A-23a-111(10) that authorizes the commissioner to prescribe by rule the license renewal and reinstatement procedures for licenses covered under Chapter 23a.~~

R590-195-2. Purpose and Scope.

~~(1) The purpose of this rule is to establish uniform criteria and procedures for the initial and renewal licensing of car rental related insurance limited line producer individuals and agencies, and to set standards of licensing and conduct for those in the car rental related insurance business in the State of Utah.~~

[~~R590-195-3. Scope and Applicability.~~]

~~(2) This rule applies to all [persons] individuals and entities engaged in the issuance of [~~rental~~] car rental related insurance contracts or policies.~~

R590-195-[4]3. Definitions.

For the purpose of this rule the commissioner adopts the definitions as set forth in Sections 31A-1-301, 31A-23a-102, and the following:

(1) "[~~car~~]Car rental related insurance" means any contract of insurance issued as a part of an agreement of rental of passenger automobiles and trucks to a gross vehicle weight of 45,000 pounds, for a period of 30 days or less[~~. For the purposes of this rule, definitions contained in chapters 1 and 23a of Title 31A are applicable.~~]; and

(2) "Car rental related license" means a limited line producer license type with a car rental related insurance limited line of authority.

R590-195-[5]4. Agency License and Renewal.

~~(1) [~~Rental car related licenses are limited lines licenses.~~~~

~~These licenses are]~~A car rental related license is issued for a two year license period and requires no examination or continuing education.

(2) ~~[Rental]~~A car rental related licenses must be renewed at the end of the two year licensing period in accordance with ~~[e]~~Chapter 23a of ~~[t]~~Title 31A and any applicable department rules regarding license renewal.

(3) Licensing is applicable to ~~[all persons and entities]~~an individual or entity involved in the soliciting, quoting, marketing, ~~[and]~~or issuing of car rental related insurance and must be licensed in accordance with Chapter 23a of Title 31A and applicable department rules regarding individual and agency licensing.

(a) ~~[Rental]~~A car rental related license~~[s]~~ may be held ~~[either]~~ by:

(i) an individual~~[s]~~; or

(ii) [entities (agencies)]an entity.

(b) ~~[Licensed individuals]~~An individual licensed under this rule must be~~[either]~~:

(i) appointed by [insurers]an insurer underwriting [the]a car rental related insurance [policies they sell]policy that the individual sells; or

(ii) [be-]designated to act by an agency licensed under this rule.

(c) ~~[Licensed agencies]~~An agency licensed under this rule must:

(i) be appointed by [insurers]an insurer underwriting [the]a car rental related insurance [policies they sell]policy that the agency sells; and:

(ii) [must-]have [one]a designated responsible licensed individual at each location at which the agency is soliciting, quoting, marketing or selling car rental related insurance.

(4) ~~[Agencies]~~An agency licensed under the terms of this rule may employ a non-licensed [personnel]individual employed as a rental counter sales representative[s] in soliciting, quoting, [and] marketing or selling[of-]car rental related insurance. Such non-licensed [personnel]individual must be:

(i) trained and supervised in the sale of [rental-]car rental related insurance products; and

(ii) [must be-]responsible to a licensed individual designated by the agency at each location where [these]a car rental related insurance product[s-are] is sold.

R590-195-~~[6]~~5. Penalties.

~~[Violations of this rule are punishable pursuant to]~~A person found to be in violation of this rule shall be subject to penalties as provided under Section 31A-2-308.

R590-195-6. Enforcement Date.

The commissioner will begin enforcing this rule on the effective date of the rule.

R590-195-7. Severability.

If any provision or clause of this rule or its application to any person or situation is held to be invalid, ~~[such]~~that invalidity

~~[will]~~shall not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.

KEY: insurance licensing

Date of Enactment or Last Substantive Amendment: [~~April 22, 1999~~]2011

Notice of Continuation: March 11, 2009

**Authorizing, and Implemented or Interpreted Law: 31A-2-201;
[~~31A-23-204~~]31A-23a-106; 31A-23a-110; 31A-23a-111**