



SPONSOR: Sen. Mantzavinos & Rep. Bush  
Sens. Lopez, Wilson; Rep. Baumbach

DELAWARE STATE SENATE  
151st GENERAL ASSEMBLY

SENATE BILL NO. 229

AN ACT TO AMEND TITLE 18 OF THE DELAWARE CODE RELATING TO RESIDENT INSURANCE PRODUCER  
LICENSURE REQUIREMENTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend Section 1706, Title 18, of the Delaware Code by making deletions as shown by strike through  
and insertions as shown by underline as follows:

§ 1706. Application for license.

(a) A person applying for a resident license shall make application to the Insurance Commissioner on the Uniform  
Application or on forms prescribed by the Commissioner for license types and lines of authority not available 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 individual's knowledge and belief. Before approving the  
application, the Insurance Commissioner shall find that the individual:

(1) Is at least 18 years of age;

(2) Has not committed any act that is a ground for denial, suspension, or revocation set forth in § 1712 of this title;

(3) Has paid the fees set forth in Chapter 7 of this title; ~~and~~

(4) Has successfully passed the examinations for the lines of authority for which the person has applied, unless  
specifically exempted from such examination by this ~~chapter~~; chapter; ~~and~~

(5) If applying for a resident producer license, is a resident of Delaware or works for a business entity that is  
licensed to conduct the business of insurance in Delaware and maintains a physical location in Delaware that is  
open to the public and from which such business is conducted. An applicant may not use registered agent services  
or a Delaware postal box in order to establish the residency requirements set forth in this paragraph.

Section 2. This Act shall become effective upon enactment and shall apply to new applicants applying for a  
Delaware resident producer license.

SYNOPSIS

This bill requires applicants for a Delaware resident producer license to either be a Delaware resident or to work  
for an entity that has a physical location in Delaware out of which the business of insurance is conducted. This bill prohibits  
the practice of out-of-state applicants using Delaware registered agents or postal boxes to establish residency in Delaware.  
These changes will help to reduce or eliminate the improper marketing of insurance plans by bad actors that seek to avoid  
regulatory oversight through these licensing practices.

Author: Senator Mantzavinos