

# MAINE STATE LEGISLATURE

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Date: 6/2/25

(Filing No. H-421)

**HEALTH COVERAGE, INSURANCE AND FINANCIAL SERVICES**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
132ND LEGISLATURE  
FIRST SPECIAL SESSION**

COMMITTEE AMENDMENT "A" to H.P. 567, L.D. 881, "An Act to Establish an Apprentice Insurance Producer License"

Amend the bill by striking out everything after the enacting clause and inserting the following:

'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

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

3        **2. Sponsor required.** An apprentice insurance producer license may not be issued  
4        without the sponsorship of a licensed resident insurance producer. A sponsor shall complete  
5        an application required by the superintendent. The sponsor may not have any restriction on  
6        the sponsor's producer license, including, but not limited to, being on probation or having  
7        any disciplinary reporting requirements to the superintendent. The sponsor must have held  
8        a Maine producer license in good standing for at least one year prior to applying to be a  
9        sponsor and must meet any other requirements established by the superintendent. The  
10       superintendent may revoke a sponsor's authorization to employ an apprentice insurance  
11       producer for failing to comply with any requirements of the sponsorship and for any of the  
12       reasons for disciplinary action under section 1420-K.

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

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

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

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

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

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

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

43       **10. Termination of apprenticeship.** If an apprentice insurance producer is no longer  
44       employed by a sponsor prior to the end of the apprenticeship, or if the sponsor terminates

1 the sponsorship prior to the end of the 180-day period under subsection 4, the sponsor and  
 2 the apprentice insurance producer shall notify the superintendent within 5 business days of  
 3 the end of employment or end of the sponsorship.

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

9 Amend the bill by relettering or renumbering any nonconsecutive Part letter or section  
 10 number to read consecutively.

11 **SUMMARY**

12 This amendment replaces the bill. Beginning January 1, 2026, the amendment  
 13 authorizes the Superintendent of Insurance to issue an apprentice insurance producer  
 14 license without requiring a licensing examination. An apprentice insurance producer  
 15 license may be issued for a period of no more than 180 days if the apprentice insurance  
 16 producer is employed by a licensed resident insurance producer who sponsors the  
 17 apprentice insurance producer and assumes legal responsibility for all actions of the  
 18 apprentice insurance producer. The superintendent may limit the issuance of apprentice  
 19 insurance producer licenses to no more than 2 active apprentice insurance producer licenses  
 20 per sponsor during a calendar year. The amendment also establishes other requirements for  
 21 an apprentice insurance producer license.

22 **FISCAL NOTE REQUIRED**  
 23 (See attached)



Approved: 04/07/25 **LRL**

# 132nd MAINE LEGISLATURE

LD 881

LR 1307(02)

**An Act to Establish an Apprentice Insurance Producer License**

**Fiscal Note for Bill as Amended by Committee Amendment "A" (H-421)**  
**Committee: Health Coverage, Insurance and Financial Services**

**Fiscal Note Required: Yes**

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## Fiscal Note

Minor cost increase - Other Special Revenue Funds

### Fiscal Detail and Notes

Any additional costs to the Department of Professional and Financial Regulation from the provisions of this bill are expected to be minor and can be absorbed within existing budgeted resources.