

FIDUCIARY RESPONSIBILITIES—PREMIUMS

The date following each state indicates the last time information for the state was reviewed/changed.

STATE	CITATION	RESPONSIBILITY	PENALTY
AL (2/25)	§§ 27-7-19; 27-7-36 to 27-7-37; 27-6A-4	Agent shall pay premiums to the insurer. All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.	The commissioner may place on probation, refuse to renew, or revoke any license for improperly withholding, misappropriating, or converting any monies belonging to the insurers, insureds, or others received by the licensee in the exercise of his or her license. In addition, or in lieu of probation, denial, suspension, or revocation the commissioner may levy a civil fine up to \$10,000 per violation. Any unlawful diversion is theft of property. Any person having an interest may file a complaint with the commissioner. After a hearing on charges of the complaint, if the commissioner or deputy finds that the grounds exist, the commissioner or deputy may impose licensee penalties against the licenses of the licensee.
AK (2/25)	§§ 21.27.360; 21.27.620	All funds shall be received by the licensee as a fiduciary and shall be promptly accounted for and paid to the person entitled to the money. All money collected for the account of an insurer shall be held by the managing general agent as a fiduciary, and all payments on behalf of the insurer shall be held by the managing general agent as a fiduciary.	Anyone found to have diverted funds is subject to suspension or revocation of all licenses and a civil penalty not to exceed \$50,000 for each violation.
AZ (2/25)	§§ 20-311.02; 20-295	Managing general agent shall hold in a fiduciary capacity all monies that are collected for the account of an insurer.	The director may deny, suspend, revoke or refuse to renew a producer's license or may impose a civil liability or any combination of the above for improperly withholding, misappropriating or converting any money received during the course of business.
AR (2/25)	§§ 23-64-216; 23-64-223; 23-64-404	Agent shall pay premiums to the insurer or any other person entitled thereto. Managing general agent shall hold in a fiduciary capacity all moneys that are collected for the account of an insurer.	Any unlawful diversion is theft of property. The insurance commissioner may place on probation, suspend or revoke a licensee if the licensee improperly withheld, misappropriated, or converted any moneys received in the course of an insurance transaction. In addition to a suspension or revocation of a license the insurance commissioner may impose a penalty of up to \$1,000 per violation, or up to \$5,000 per violation for willful misconduct. The insurance commissioner may also order restitution of actual losses to affected persons.

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CA (2/25)	Ins. § 1733	All funds received by any person acting as an insurance agent are received and held in a fiduciary capacity.	Any diversion of these funds is theft.
CO (2/25)	§§ 10-2-704; 10-2-801; 10-2-804	All premiums received shall be treated in a fiduciary capacity.	The commissioner may place an agent on probation, suspend, revoke or refuse to issue a license, or order restitution if an agent misappropriates, improperly withholds, or converts to the agent's own use any money received during the course of business and belonging to insurers, policyholders or others. The commissioner may impose a civil penalty of not more than \$3,000 for each violation or order restitution from an agent.
CT (2/25)	§§ 38a-712; 38a-774; 38a-90c	Producer is to remit premium payments from insureds to insurer within 30 days following the due date of the account. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	If the commissioner finds a producer failed to remit payment of premiums to the proper company, he may suspend or revoke the license of the producer. In addition, or in lieu of suspension or revocation, the commissioner may impose a fine up to \$5,000.
DE (2/25)	18 Del.C. §§ 1706; 1712	All premiums shall be held in a fiduciary capacity and be accounted for by the producer.	The commissioner may place on probation, suspend, revoke or refuse to renew or issue a producer's license if he or she is determined to be improperly withholding, misappropriating or converting any moneys or properties received in the course of doing business. In addition to or in lieu of suspension or revocation, the commissioner may also impose a monetary fine between \$200 and \$20,000 per violation.
DC (2/25)	§§ 31-1503; 31-1131.12	All funds collected for the account of an insurer will be held in a separate account by the managing general agent in a fiduciary capacity.	The commissioner may place on probation, suspend, revoke or refuse to renew or issue a license, if the producer improperly withholds, misappropriates, or converts any monies or properties received in the course of doing business. The commissioner may in addition to or in lieu of impose a civil penalty not to exceed \$5,000 or require restitution to any person that has suffered financial injury.

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FL (2/25)	§§ 626.571; 626.611; 626.681; 626.692; 626.7451	If an agent becomes more than 90 days delinquent in payments of accounts owed to the insurer, the insurer shall immediately give written notice to the department. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	The department shall deny application for, suspend, revoke or refuse to renew the license of an agent if it finds the agent misappropriated, converted or unlawfully withheld money belonging to insurers, insureds or beneficiaries. In addition, or in lieu of suspension or revocation of a license, the department may levy an administrative fine up to \$500, or if it is found the conduct was willful, then up to \$3,500. Additionally, the department may order the licensee to pay restitution to any person who has been deprived of money by the licensee's misappropriation, conversion or unlawful withholding moneys belonging to insurers, insureds, beneficiaries, or others.
GA (2/25)	§§ 33-23-35; 33-47-4	All funds representing premiums received shall be promptly accounted for and paid to the insurer. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	Any violation of this section shall constitute action by the commissioner, including, but not limited to, probation, suspension, or revocation of license. Each act is grounds for fines and penalties. Willful violations shall constitute a misdemeanor if less than \$1,000, otherwise violation is a felony.
HI (2/25)	§§ 431:9-230; 431:9-235; 431:9-238; 431:9C-103	Every licensed adjuster shall have the responsibility of a trustee for all funds and return funds received or collected. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	Any diversion or appropriation to personal use is embezzlement. The commissioner may suspend, revoke or refuse to renew any license if the licensee has misappropriated, converted or illegally withheld moneys required to be held in a fiduciary capacity to his own use. In addition to or in lieu of suspension, revocation or refusal to extend, after a hearing, the commissioner may levy a fine of not less than \$100 and not more than \$10,000.
ID (2/25)	§§ 41-1016; 41-1024	All fiduciary funds received or collected by a producer shall be trust funds received by the producer in a fiduciary capacity and shall be paid to the person entitled to the funds. Includes a sweep account for the benefit of the insurer.	Any producer who diverts or appropriates to his own use such trust or fiduciary funds shall upon conviction, be guilty of a felony. If agent improperly withholds, misappropriates or converts moneys received during an insurance transaction, director may revoke or suspend license as well as assess administrative penalty of no more than \$1,000 after appropriate hearing is held.

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IL (2/25)	215 ILCS 5/500-70; 5/500-115; 5/141a	Any money received by an insurance producer is held in a fiduciary capacity. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	The director may place on probation, suspend, revoke or refuse to renew or issue a license if the licensee has improperly withheld, misappropriated or converted any moneys or properties received while doing business. The director may impose a civil penalty of \$10,000 for each cause for denial, suspension, or revocation, however, the civil penalty may not total more than \$100,000. If an insurance producer or surplus line producer knowingly misappropriates or converts to his or her own use or illegally withholds fiduciary moneys in the amount of \$150 or less, he or she is guilty of a Class A misdemeanor for a first offense and a Class 4 felony for subsequent offenses. If an insurance producer or surplus line producer knowingly misappropriates or converts to his or her own use or illegally withholds premiums in excess of \$150, he or she is guilty of a Class 3 felony.
IN (2/25)	§ 27-1-15.6-12		The commissioner may levy a civil penalty, place on probation, suspend license, permanently revoke license, refuse to issue new license or any combination of the above against any producer who improperly withholds, misappropriates or converts money received in the course of an insurance transaction. In addition, or in lieu of any applicable denial, suspension, or revocation of a license the commissioner may impose a civil penalty between \$50 and \$10,000.
IA (2/25)	§§ 510.17; 510.8; 510.5	Insurance charges or premiums collected by a third-party administrator must be held in a fiduciary capacity and they must be immediately remitted to the person entitled to them or deposited in a fiduciary bank account. All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.	If there is a violation, the commissioner may impose for each separate violation, an administrative penalty of not more than \$10,000, revoke or suspend the producer's license, or bring a civil suit seeking reimbursement for any losses.

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KS (2/25)	§ 40-247	Agent who receives money shall hold premium in trust for the company.	Agent who fails to pay premium over to company shall be charged with a non-person felony or misdemeanor depending on amount of money at issue.
KY (2/25)	§§ 304.9-400; 304-9-440; 304.99-020	All portions of premiums collected for an insurer shall be held by the producer in a fiduciary capacity and shall not be misappropriated, converted or illegally withheld by the producer.	The commissioner may place on probation, suspend, impose conditions upon, revoke, or refuse to renew the license of any producer who improperly withholds, misappropriates or converts money received during an insurance transaction. The commissioner may levy a civil penalty of not more than \$1,000 per violation.
LA (2/25)	§§ 22:1554; 22:1564	Payments to a producer shall be payment to the insurer with all resultant obligations and duties.	The commissioner may suspend or revoke a license if he finds the licensee improperly withheld, misappropriated, failed to timely remit premium, or converted to one's own use any money received during the course of business belonging to policyholders, insurers, or others. Or a fine of not more than \$500 per violation may also be assessed. Any person who intentionally withholds or fails to timely remit premiums or converts to his own use money belonging to others entitled to the money shall be guilty of theft or unauthorized use of a movable.
ME (2/25)	24-A M.R.S.A. §§ 1417; 1449; 1420-K	All premiums received are trust funds received by the licensee in a fiduciary capacity.	A producer's license may be denied, revoked, suspended, or placed on probation for improperly withholding, misappropriating, or converting any money received in the course of an insurance transaction. Superintendent may levy a civil penalty or take any combination of such actions.
MD (2/25)	Ins. §§ 10-126; 8-208; COMAR 31.03.03.01 to 31.03.03.06	Every producer acting as such shall hold the premium payments separate from other funds in accordance with regulation. Managing general agent shall hold in a fiduciary capacity all moneys that are collected for the account of an insurer.	The commissioner may deny, suspend, revoke or refuse to renew a license if the holder has misappropriated, converted or unlawfully withheld money that belongs to an insurer, producer, beneficiary, or insured. The commissioner may also require the violator pay restitution to any citizen who suffered financial injury because of the violation, and/or the commissioner may impose a fine not less than \$100 but not more than \$5,000 per violation.
MA (2/25)	§§ 175:162R; 175:176; 175:177I	An agent who receives money as a premium shall be deemed to hold the premium in trust for the company. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	If the agent fails to pay the premium over to the company after written demand, failure shall be prima facie evidence that he has used or applied the premium for a purpose other than paying the same over to the company, and he may be found guilty of larceny. The commissioner may place on probation, suspend, revoke, or refuse to renew a license, or levy a civil penalty, if the licensee improperly withheld, misappropriated or converted moneys.

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MI (2/25)	§§ 500.1207; 500.1239; 500.1244; 500.1409	<p>Agent shall be a fiduciary for all moneys received or held by the agent in the agent's capacity as an agent.</p> <p>Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.</p>	<p>Failure by an agent to turn money over in a timely manner is prima facie evidence of violation of the agent's fiduciary capacity. The director may place on probation, suspend, or revoke a producer's license or may levy a fine or any combination for improperly withholding, misappropriating, or converting any money received during the course of business. In lieu of or in addition to this, a civil fine up to \$1,000 for each violation, or if the person knew or reasonably should have known that such person is in violation, then up to \$5,000 for each violation with no fines exceeding \$50,000.</p>
MN (2/25)	§§ 60K.43; 60K.46; 45.027; 60H.04	<p>All premiums or other money received by a producer from an insured or applicant for insurance must be promptly deposited directly in a business checking, savings, or other similar account maintained by the producer or agency, unless the money is forwarded directly to the designated insurer.</p> <p>Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.</p>	<p>If the commissioner finds that the agent has improperly withheld, misappropriated, or converted any money in the course of doing insurance business, the commissioner may do any or all of the following: deny, suspend, or revoke license, censure the license, or impose a civil penalty of not more than \$10,000 per violation.</p>
MS (2/25)	§§ 83-17-64; 83-18-107; 83-17-71	<p>All premiums for self-storage insurance received by a limited lines producer, or any employee or representative of that producer, from an occupant shall be considered funds held in a fiduciary capacity for the benefit of the insurer.</p> <p>All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.</p>	<p>If a producer improperly withholds, misappropriates, or converts money received in the course of an insurance transaction, the commissioner may do any of the following: place on probation, suspend, revoke or refuse to renew producer's license or may levy a penalty not to exceed \$1,000 per violation.</p>

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MO (2/25)	§§ 375.051; 375.141; 375.146; 375.149	A producer who collects premiums on behalf of an insurance company shall be held responsible in a trust or fiduciary capacity to the company for any money so collected for the company. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	The director may suspend, revoke, refuse to issue or refuse to renew a producer's license if the producer improperly withholds, misappropriates, or converts any money received in the course of doing insurance business. A willful violation is a class A misdemeanor.
MT (2/25)	§§ 33-1-317; 33-17-1001; 33-17-1102; 33-2-1602	All insurance premiums received by an insurance producer must be held in a trust account subject to a fiduciary duty. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	The commissioner may suspend, revoke, or refuse to renew a license if the licensee improperly withheld, misappropriated or converted monies. The commissioner may impose a penalty not exceeding \$5,000 per violation.
NE (2/25)	§§ 44-4059; 44-319; 44-4904	Every person acting as an insurance producer shall be responsible in a fiduciary capacity for all funds received or collected as an insurance producer or surplus lines licensee. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	The director may revoke, suspend, or refuse to issue or renew a producer's license if the director determines the producer has improperly withheld, misappropriated, or converted any money received during the course of doing business. The director may also, after notice and hearing, levy an administrative fine of not more than \$1,000 per violation.
NV (2/25)	§§ 683A.400; 683A.451; 683A.490	All funds received by any person in any way licensed or acting as an insurance agent shall be held in fiduciary capacity.	Diversion of funds is embezzlement. The commissioner may refuse to issue a new license, place on probation, suspend, revoke or refuse to renew license, impose an administrative fine, or any of the above combinations for misappropriating, converting or improperly withholding money received during the course of the business. The person is also guilty of a misdemeanor.
NH (2/25)	§§ 402:50; 402:53	Any money received by any agent as premium shall be received by him in his fiduciary capacity.	Unlawful conversion shall be embezzlement. Any violator shall be fined not more than \$2,500 or have his license revoked or suspended or both fined and revoked or suspended.

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NJ (2/25)	N.J.A.C. 11:17C-2.1; N.J.S.A. 17:22A-40; 17:22A-45	All premium funds shall be held in a fiduciary capacity and shall not be misappropriated, improperly converted to the insurance producer's own use, or illegally withheld by the licensee.	The commissioner may place on probation, refuse to issue or renew a license, revoke or suspend a license or levy a civil penalty or any combination of these, if he finds, after notice and a hearing, that a producer misappropriated, converted, or illegally withheld money received during the course of business. A civil penalty for a first offense will not exceed \$5,000, the second offense will not exceed \$10,000.
NM (2/25)	§§ 59A-11-14; 59A-12-22; 59A-12B-4	All funds are received and held in a fiduciary capacity. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	Diversion or appropriation of funds for own use is larceny by embezzlement. The superintendent may place on probation, suspend, revoke or refuse to issue or renew a license if the licensee improperly withheld, misappropriated or converted any money received in the course of doing insurance business.
NY (2/25)	Ins. §§ 2110; 2120; 2127	Every insurance agent shall be responsible in a fiduciary capacity for all funds received or collected in such capacity.	The superintendent may refuse to renew, revoke, or suspend the license of any agent if, after notice and hearing, the superintendent determines that the licensee improperly withheld, misappropriated or converted any monies received in the course of insurance business in this state or elsewhere. In lieu of revoking or suspending the license, the superintendent may require the licensee to pay a sum not exceeding \$500 for each offense, with a \$2,500 aggregate limit for all offenses.
NC (2/25)	§§ 58-33-46; 58-33-120; 11 N.C. Admin.Code Rule 4.0314	Premiums, deposits, and other such funds are considered to be received in a fiduciary capacity on behalf of the policyowner and must immediately be forwarded to the proper insurer.	The commissioner may place on probation, suspend, revoke, or refuse to renew any license if he finds the licensee improperly withheld, misappropriated or converted any money received during the course of doing insurance business. Violators shall be deemed guilty of a Class 1 misdemeanor.
ND (2/25)	§§ 26.1-26.3-03; 26.1-27-08; 26.1-26-42; 26.1-26-50	All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity. All insurance charges or premiums collected by an administrator on behalf of or for an insurer or insurers must be held by the administrator in a fiduciary capacity.	The commissioner may suspend, revoke, place on probation, or refuse to renew any license if, after notice and hearing, the commissioner finds the licensee improperly withheld, misappropriated, or converted to one's own use any money received during the course of business belonging to policyholders, insurers or beneficiaries. In addition to or in lieu of a change in licensure, the commissioner may, after a hearing, impose a fine not to exceed \$10,000 for each violation.

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OH (2/25)	§§ 3905.73; 3905.14	All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.	The superintendent may suspend, revoke, or refuse to renew any license of an agent, assess a civil penalty, or impose any other sanction for improperly withholding, misappropriating or converting any money received during the course of doing insurance business.
OK (2/25)	36 Okl.St. Ann. §§ 1435.13; 1435.13a; 1474	All premiums belonging to insurers and all unearned premiums belonging to insureds received by an insurance producer licensee shall be treated by the insurance producer licensee in a fiduciary capacity. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	The commissioner may place on probation, censure, suspend, revoke or refuse to issue or renew a license or levy a civil penalty if a licensee improperly withholds, misappropriates, or converts any money received during the course of doing insurance business. In addition, or in lieu of a change of licensure the commissioner may levy a civil fine of not more than \$1,000 for each occurrence.
OR (2/25)	§§ 744.074; 744.083	All premiums received by an agent shall be accounted for and maintained in a trust account.	The director may place on probation or suspend, revoke or refuse to issue or renew an insurance producer's license if a licensee improperly withheld, misappropriated or converted money received during the course of doing insurance business.
PA (2/25)	40 P.S. §§ 310.96; 324.9; 310.11; 310.42; 31 Pa. Code § 37.47	An insurance producer shall be responsible in a fiduciary capacity for all funds received or collected as an insurance producer.	A person that converts money with intent to use or fraudulently appropriate, take, or otherwise dispose of, or withhold, appropriate, lend, invest or otherwise use or apply money or substitutes for money received by him as an insurance producer, contrary to the instructions or without the consent of the insurer commits theft. The department may revoke, suspend or refuse to renew a license upon finding, after a hearing that an agent engaged in conduct that would disqualify him from initial issuance of a license. Improperly withholding, misappropriating, or converting money or property received in the course of doing business is a prohibited practice.

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PR (2/25)	26 L.P.R.A. §§ 952h; 953f; 953i	All funds representing premiums received by an agent shall be received in a fiduciary capacity and shall not be mixed with other funds. Funds shall be credited and paid in full within 15 days after requested.	Any agent receiving funds and not remitting them to the people entitled to them shall be bound to pay legal interest on the amount and shall be guilty of a crime and be punished as provided in the penal code of Puerto Rico. The commissioner may suspend, revoke, or refuse to renew a license for embezzlement or misappropriation for personal use or unlawful withholding of monies belonging to insurers or other persons, received in the course of business. In addition to or in lieu of denial, revocation or suspension of license, any licensee violating a provision of this title may receive an administrative fine not to exceed \$5,000 for each fault, with a \$50,000 maximum for all offenses or if convicted by a court the violator can be fined between \$1,000 and \$50,000.
RI (2/25)	§§ 27-2.4-14; 27-2.4-19; 42-14-16	All portions of premiums an agent collects, which are to be paid to an insurance company, shall be held in fiduciary capacity.	The commissioner may place on probation, suspend, revoke or refuse to issue or renew license, or levy an administrative penalty not less than \$100 and not more than \$50,000 if a producer improperly withholds, misappropriates or converts money received during the course of business. Any insurance producer who converts or misappropriates funds is guilty of theft.
SC (2/25)	§§ 38-43-130; 38-43-240; 38-2-10	A producer must turn over or satisfactorily account for all collections made to the insurer when required.	The director may place on probation, revoke, or suspend, or refuse to issue a producer's license, if the producer improperly withheld, misappropriated, or converted any monies received in the course of doing insurance business. In addition to or in lieu of a change in licensure, the person violating this title may be subject, after a hearing, to an administrative penalty not to exceed \$2,500, unless the violation is willful, then the amount shall not exceed \$5,000. If a producer fails to turn over or account for all collections, he or she is guilty of a misdemeanor and, upon conviction, must be fined in the discretion of the court or imprisoned not more than 2 years.

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SD (2/25)	§§ 58-30-88 to 58-30-89; 58-30-167; 58-4-28.1	All premiums received by a producer shall be trust funds received by the licensee in a fiduciary capacity. Producers shall account for and pay the same to the insurer.	The director may suspend, revoke, or refuse to issue or renew an agent's license or may accept a penalty not exceeding \$5,000 or any combination thereof for withholding, misappropriating, or converting any monies received in the course of doing insurance business. If an agent unlawfully diverts or misappropriates trust funds to his own use, he shall, upon conviction, be guilty of theft and punished accordingly by criminal statutes.
TN (2/25)	§§ 56-6-112; 56-6-116	Any money which an insurance producer receives for insurance policies shall be held in a fiduciary capacity and shall not be misappropriated, converted or improperly withheld.	The commissioner may place on probation, suspend, revoke or refuse to issue or renew any license if the licensee improperly withholds, misappropriates, or converts any money received during the course of insurance business. In addition to or in lieu of any denial, suspension, or revocation of license, the commissioner may assess a civil penalty of \$1,000 for each violation, but not to exceed an aggregate penalty of \$100,000.
TX (2/25)	I.C. §§ 4005.101 to 4005.102; 4005.153; 4053.106; 4053.151	Managing general agents hold money in a fiduciary capacity and shall adequately account for that money.	Any insurance agent who collects premiums for an insurance company and who embezzles or fraudulently converts, secretes or otherwise disposes of, shall be punished as if he had stolen the same. The department may suspend, revoke, or deny renewal of a license if the license holder misappropriates, converts to one's own use or illegally withholds money belonging to an insurer; health maintenance organization; or an insured, enrollee or beneficiary.
UT (2/25)	§§ 31A-23a-409; 31A-23a-111; 31A-23a-602	A licensee owes to insureds and insurers the fiduciary duties of a trustee. Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.	Any licensee who diverts or appropriates any portion of the money held to the licensee's own use, is guilty of theft. The commissioner may revoke, suspend, limit in whole or in part, or deny a license if the licensee improperly withheld, misappropriated, or converted money received in course of doing insurance business.

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VT (2/25)	8 V.S.A. §§ 4804; 4724; 4726	Failure of any insurance agent, broker or insurer to act as a fiduciary in regard to premiums, return premiums or other sums of money received by him in his capacity as insurance agent, insurance broker or insurer by failure to pay or transmit in a timely manner those sums of money to the persons to whom it is owed is defined as unfair methods of competition or unfair or deceptive acts or practices in the business of insurance.	<p>The commissioner may suspend, revoke or refuse to continue or renew any license, after notice and hearing, if he finds the licensee improperly withheld, misappropriated, or converted to his own use any money received during the course of business belonging to policyholders, insurers, beneficiaries or others. In addition to or in lieu of any applicable denial, suspension, or revocation of a license, the commissioner may levy a penalty between \$500 and \$2,500.</p> <p>If the commissioner finds the producer violated a fiduciary duty, the commissioner may levy a penalty of not more than \$1,000 per violation, unless the commissioner finds such violation to be willful, then a penalty of not more than \$10,000 may be assessed.</p>
VI (2/25)	22 V.I.C. §§ 776; 778; 782; 772	<p>All funds representing premiums, less commission, shall be received by a producer in his fiduciary capacity.</p> <p>Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.</p>	The commissioner may suspend, revoke, or refuse to renew any license if the licensee misappropriated, converted, or illegally withheld any moneys required to be held in a fiduciary capacity. In addition, or in lieu of suspension, revocation, or refusal to renew any license, after hearing, the commissioner may levy a fine between \$250 and \$10,000. If the court finds the licensee is guilty of the violation and deems suspension, revocation or refusal to renew too severe a penalty, the court may levy a fine up to \$10,000 in lieu thereof. Diversion of funds shall be punished as provided in the criminal statutes. Willful violations constitute misdemeanors.
VA (2/25)	§§ 38.2-218; 38.2-1813; 38.2-1831; 38.2-1360	<p>All premiums received in any manner by an agent shall be held in a fiduciary capacity. The agent shall account for and pay funds to the insurer when due.</p> <p>Managing general agent shall hold in a fiduciary capacity all funds that are collected for the account of an insurer.</p>	Any person who knowingly or willfully improperly withholds, misappropriates, or converts to one's own use any money received during the course of business shall be penalized by not more than \$5,000 per violation. Any person who unknowingly improperly withholds, misappropriates, or converts to one's own use any money received during the course of business shall be penalized by not more than \$1,000 per violation, and not by more than \$10,000 on aggregate. In lieu of or in addition to the above penalty, the commission may place on probation, suspend, revoke or refuse to issue or renew any person's license.

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STATE	CITATION	RESPONSIBILITY	PENALTY
WA (2/25)	§§ 48.17.480; 48.17.530; 48.17.560; 48.98.015	All premiums received by an agent shall be received in a fiduciary capacity and promptly accounted for and paid to the insurer. All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.	Diversion or misappropriation of funds shall constitute theft. The commissioner may place on probation, suspend, or refuse to renew a license for improperly withheld, misappropriated, or converted moneys received in the course of doing insurance business. In addition to or in lieu of a suspension, revocation, or refusal to renew a license the commissioner may levy a fine up to \$1,000 for each offense.
WV (2/25)	§§ 33-37-3; 33-12-24	All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.	The commissioner may place on probation, suspend, revoke, or refuse to renew the license of an agent if the commissioner finds the person has improperly withheld, misappropriated, or converted to his own use any money received during the course of business. In addition, or in lieu of any applicable denial, probation or revocation of a license the commissioner may, after hearing, levy a civil penalty up to \$5,000.
WI (2/25)	Ins. 42.03	All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity in a financial institution.	
WY (2/25)	§§ 26-1-107; 26-9-229; 26-9-211; 26-46-103	Premiums received by an agent are trust funds received in a fiduciary capacity. The agent shall account for and pay the funds to the insurer. All funds collected for the account of an insurer will be held by the managing general agent in a fiduciary capacity.	Anyone who diverts such funds shall be guilty of embezzlement. The commissioner may place on probation, suspend, revoke or refuse to renew a license if an agent improperly withholds, misappropriates, or coverts any monies received in the course of doing insurance business. In addition, or in lieu of any applicable denial, probation or revocation of a license the commissioner may levy a civil penalty up to \$1,000 for each offense or \$10,000 in the aggregate for all such offenses within any one-year period. The commissioner may, after notice and opportunity of hearing, levy reasonable costs of investigation and administrative proceedings not to exceed \$500.

This chart does not constitute a formal legal opinion by the NAIC staff on the provisions of state law and should not be relied upon as such. Every effort has been made to provide correct and accurate summaries to assist the reader in targeting useful information. For further details, the statutes and regulations cited should be consulted. The NAIC attempts to provide current information; however, readers should consult state law for additional adoptions.