

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action: Do Pass
Vote: 10 – 0 – 0
Yeas: Barton, Cameron, Edwards C., Esquivel, Holvey, Kennemer, Matthews, Thatcher, Witt, Schaufler
Nays: 0
Exc.: 0
Prepared By: Theresa Van Winkle, Administrator
Meeting Dates: 1/26

WHAT THE MEASURE DOES: Eliminates the exemption from continuing education requirements for a retired insurance producer licensee authorized to transact only life insurance, is 58 years of age or older, has ten or more years of experience as a licensed insurance producer, and is servicing only existing policies.

ISSUES DISCUSSED:

- Provisions of the measure
- How measure brings the state in line with national efforts to streamline and standardize insurance agent licensing requirements

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Current statute allows the Department of Consumer and Business Services (DCBS) to establish continuing education requirements for resident individual insurance providers as a condition to renew their license. The hours of required education must not exceed 45 annual hours for the first five years an individual is licensed, 24 annual hours during the next five years, and 12 annual hours for individuals licensed for more than 10 years or have received the designation C.P.C.U. (Chartered Property Casualty Underwriter), C.L.U. (Chartered Life Underwriter), or comparable recognized designation. Exemptions are made for persons whose licenses were issued without an examination under specific statutory conditions (the licenses are limited to title insurance transactions or a type of limited class insurance), or whose licenses are indorsed to be authorized as a reinsurance intermediary broker or reinsurance intermediary manager (or both) under specific conditions.

An additional exemption is available, upon request, for an insurance producer licensee who is authorized to transact only life insurance, is 58 years of age or older, has ten or more years of experience as a licensed insurance producer, and is servicing only existing policies. House Bill 2198 eliminates this exemption for all but those agents who currently qualify and those who become exempt prior to the measure's effective date of January 1, 2010.

According to the Department, of the approximate 14,000 resident life insurance agent licensees, 48 retired agents qualify for this exemption.