

SECOND REGULAR SESSION

HOUSE BILL NO. 2068

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES MUNZLINGER (Sponsor), POLLOCK, SMITH (118),
JONES AND SATER (Co-sponsors).

Read 1st time March 29, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5637L.01I

AN ACT

To repeal section 375.020, RSMo, and to enact in lieu thereof one new section relating to insurance producer continuing education requirements.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 375.020, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 375.020, to read as follows:

375.020. 1. Beginning January 1, 1990, each insurance producer, unless exempt pursuant to section 375.016, licensed to sell insurance in this state shall successfully complete courses of study as required by this section. Any person licensed to act as an insurance producer shall, during each two years, attend courses or programs of instruction or attend seminars equivalent to a minimum of ten hours of instruction for a life or accident and health license or both a life and an accident and health license and a minimum ten hours of instruction for a property or casualty license or both a property and a casualty license. Sixteen hours of training will suffice for those with a life, health, accident, property and casualty license. Of the sixteen hours' training required above, the hours need not be divided equally. The courses or programs shall include instruction on Missouri law. Course credit shall be given to members of the general assembly as determined by the department.

2. Subject to approval by the director, the courses or programs of instruction which shall be deemed to meet the director's standards for continuing educational requirements shall include, but not be limited to, the following:

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

- 15 (1) American College Courses (CLU, ChFC);
16 (2) Life Underwriters Training Council (LUTC);
17 (3) Certified Insurance Counselor (CIC);
18 (4) Chartered Property and Casualty Underwriter (CPCU);
19 (5) Insurance Institute of America (IIA);
20 (6) An insurance-related course taught by an accredited college or university or qualified
21 instructor who has taught a course of insurance law at such institution;
22 (7) A course or program of instruction or seminar developed or sponsored by any
23 authorized insurer, recognized producer association or insurance trade association. A local
24 producer group may also be approved if the instructor receives no compensation for services.
- 25 3. A person teaching any approved course of instruction or lecturing at any approved
26 seminar shall qualify for the same number of classroom hours as would be granted to a person
27 taking and successfully completing such course, seminar or program.
- 28 4. Excess classroom hours accumulated during any two-year period may be carried
29 forward to the two-year period immediately following the two-year period in which the course,
30 program or seminar was held.
- 31 5. For good cause shown, the director may grant an extension of time during which the
32 educational requirements imposed by this section may be completed, but such extension of time
33 shall not exceed the period of one calendar year. The director may grant an individual waiver
34 of the mandatory continuing education requirement upon a showing by the licensee that it is not
35 feasible for the licensee to satisfy the requirements prior to the renewal date. Waivers may be
36 granted for reasons including, but not limited to:
- 37 (1) Serious physical injury or illness;
38 (2) Active duty in the armed services for an extended period of time;
39 (3) Residence outside the United States; or
40 (4) The licensee is at least seventy years of age.
- 41 6. Every person subject to the provisions of this section shall furnish in a form
42 satisfactory to the director, written certification as to the courses, programs or seminars of
43 instruction taken and successfully completed by such person. Every provider of continuing
44 education courses authorized in this state shall, within thirty working days of a licensed producer
45 completing its approved course, provide certification to the director of the completion in a format
46 prescribed by the director.
- 47 7. The provisions of this section shall not apply to those natural persons holding licenses
48 for any kind or kinds of insurance for which an examination is not required by the law of this
49 state, nor shall they apply to any limited lines insurance producer license or restricted license as
50 the director may exempt.

51 8. The provisions of this section shall not apply to a life insurance producer who is
52 limited by the terms of a written agreement with the insurer to transact only specific life
53 insurance policies having [an initial face amount] **a cumulative initial face amount for any**
54 **individual** of [five] **ten** thousand dollars or less, or annuities having an initial face amount of
55 ten thousand dollars or less, that are designated by the purchaser for the payment of funeral or
56 burial expenses. The director may require the insurer entering into the written agreements with
57 the insurance producers pursuant to this subsection to certify as to the representations of the
58 insurance producers.

59 9. Rules and regulations necessary to implement and administer this section shall be
60 promulgated by the director, including, but not limited to, rules and regulations regarding the
61 following:

62 (1) Course content and hour credits: The insurance advisory board established by section
63 375.019 shall be utilized by the director to assist him in determining acceptable content of
64 courses, programs and seminars to include classroom equivalency;

65 (2) Filing fees for course approval: Every applicant seeking approval by the director of
66 a continuing education course under this section shall pay to the director a filing fee of fifty
67 dollars per course. Fees shall be waived for state and local insurance producer groups. Such fee
68 shall accompany any application form required by the director. Courses shall be approved for
69 a period of no more than one year. Applicants holding courses intended to be offered for a
70 longer period must reapply for approval. Courses approved by the director prior to August 28,
71 1993, for which continuous certification is sought should be resubmitted for approval sixty days
72 before the anniversary date of the previous approval.

73 10. All funds received pursuant to the provisions of this section shall be transmitted by
74 the director to the department of revenue for deposit in the state treasury to the credit of the
75 department of insurance dedicated fund. All expenditures necessitated by this section shall be
76 paid from funds appropriated from the department of insurance dedicated fund by the legislature.

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