

HCS HB 1841 -- LIFE INSURANCE PRODUCER LICENSE EXAMINATIONS

SPONSOR: Hobbs (Wilson, 130)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Insurance Policy by a vote of 11 to 0.

This substitute requires the Director of the Department of Insurance, Financial Institutions and Professional Registration or a vendor under contract with the department to review life insurance producer license examinations if, during any 12-month period beginning on September 1, the overall pass rate of first-time examinees is less than 70%. The department must collect certain specified demographic information, in conformance with the appropriate privacy laws, from examinees and compile an annual report based on the review. The report must indicate if there was any disparity in the pass rate based on the demographic information. The department director may establish procedures to collect the necessary information to implement the provisions of the substitute. Beginning December 1, 2011, the department director must deliver an annual report on the review to the Governor, Lieutenant Governor, Speaker of the House of Representatives, and President Pro Tem of the Senate no later than December 1.

FISCAL NOTE: No impact on state funds in FY 2011, FY 2012, and FY 2013.

PROPOSERS: Supporters say that the bill will allow the Department of Insurance, Financial Institutions and Professional Registration to collect demographic information in order to determine if the examination is fair to all examinees regardless of gender, race, or national origin.

Testifying for the bill were Representative Wilson (130); American Council of Life Insurers; Tom Bond, Primerica Life Insurance Company; Life Insurance Association of Missouri; and Prudential.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say the bill is not lowering the guidelines for the test but is to make sure the questions are not discriminatory in nature.

Testifying on the bill was Department of Insurance, Financial Institutions and Professional Registration.