

SECOND REGULAR SESSION

HOUSE BILL NO. 1678

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SASSMANN.

4294H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

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

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Section A. Section 375.020, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 375.020, to read as follows: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, 2008, 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 sixteen hours of instruction. Of the sixteen hours' training required in this subsection, the hours need not be divided equally among the lines of authority in which the producer has qualified. The courses or programs attended by the producer during each two-year period shall include instruction on Missouri law, products offered in any line of authority in which the producer is qualified, producers' duties and obligations to the department, and business ethics, including sales suitability. 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:

- (1) American College Courses (CLU, ChFC);
- (2) Life Underwriters Training Council (LUTC);
- (3) Certified Insurance Counselor (CIC);

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.

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

55 insurance policies having an initial face amount of [~~fifteen~~] **twenty** thousand dollars or less,
56 or annuities having an initial face amount of [~~fifteen~~] **twenty** thousand dollars or less, that are
57 designated by the purchaser for the payment of funeral or burial expenses. The director may
58 require the insurer entering into the written agreements with the insurance producers pursuant
59 to this subsection to certify as to the representations of the insurance producers.

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

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

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

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

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