

By: Representative Moore

To: Insurance

HOUSE BILL NO. 1243

1 AN ACT TO REQUIRE COMPLETION OF CERTAIN COURSES OF STUDY AND
2 CONTINUING EDUCATIONAL REQUIREMENTS AS PREREQUISITES FOR LICENSING
3 AND RENEWAL OF LICENSES AS INSURANCE AGENTS IN THE STATE OF
4 MISSISSIPPI; TO PRESCRIBE THE BASIC PRELICENSING EDUCATIONAL AND
5 CONTINUING EDUCATIONAL REQUIREMENTS FOR INSURANCE AGENTS; TO
6 ESTABLISH STANDARDS BY WHICH PRELICENSING AND CONTINUING EDUCATION
7 SHALL BE EVALUATED FOR AWARDING OF CREDIT; AND FOR RELATED
8 PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 SECTION 1. (1) Every individual seeking to be licensed as
11 a life, health and accident insurance agent in the State of
12 Mississippi, as a condition of issuance of an original license,
13 must furnish the Commissioner of Insurance certification on a form
14 prescribed by the commissioner that he or she has completed an
15 approved prelicensing course of study for the line of insurance
16 requested.

17 (2) The prelicensing course of study hours shall consist of
18 no less than twenty-four (24) classroom hours for life and/or
19 health/accident insurance. Twelve (12) classroom hours are
20 required on life only; twelve (12) classroom hours are required
21 for health/accident only.

22 (3) Every individual seeking annual renewal of life, health
23 and accident licenses shall complete satisfactorily twelve (12)
24 hours of study in approved courses, programs of instruction or
25 seminars during each twelve (12) month period except the initially
26 licensed year.

27 (4) The continuing educational requirements of this section
28 shall not apply to:

29 (a) Any individual that is exempt from taking the

written examination as provided in Section 83-17-109(1)(b), (c) and (e);

(b) Any individual that is licensed with a license limited to industrial life, industrial health and accident; or

(c) A person not a resident of this state who meets the continuing educational requirement in the state in which such person resides and Mississippi has a reciprocal agreement with that state.

SECTION 2. (1) To qualify for credit towards satisfaction of the requirements of this section, an educational program must be a formal program of learning which contributes directly to the professional competence of the licensee and such program must meet the standards outlined herein for continuing educational programs.

The subject of each course must be approved for the lines of insurance for which the licensee is granted educational credit.

(2) Formal programs requiring attendance or self-study may be considered for credit if:

(a) A detailed outline is prepared and presented to the Department of Insurance for approval;

(b) The program is at least two (2) credit hours in length, which each fifty (50) minute period being equal to one (1) credit hour;

(c) The program is conducted by a qualified instructor;

(d) A record of registration and attendance is maintained for a period of five (5) years and is available to the Department of Insurance for review; and

(e) If program is self-study, the agent must pass an exam.

(3) Continuing educational credit shall be allowed for service as an instructor of certified programs at any program for which participants are eligible to receive continuing educational credit. Credit for such service shall be awarded on the first presentation only unless a program has been substantially revised.

(4) The course must be directly related to life, health and accident insurance or ethics principles and practices. A business course of general nature, insurance marketing or sales course shall not be approved.

(5) The courses or programs of instruction successfully completed which shall meet the standards of the Commissioner of Insurance for continuing educational requirements for the year in which the course is taken are:

(a) Any part of the Life Underwriter Training Counsel Life Course Curriculum or Health Course;

(b) Any part of the American College "CLU-ChFC," "RHU-REBC" diploma or certificate curriculum;

(c) Any part of the Insurance Institute of America's programs; and

(d) Any designated insurance course taught by an accredited college or university per credit hour granted.

(6) The commissioner specifically reserves the right to approve or disapprove credit for continuing education claimed under this section.

(7) The Commissioner of Insurance may require any original publisher or provider to submit all material to be used in his or her program to the Department of Insurance or his designee for review.

(8) All providers shall maintain a record of persons attending each course for not less than five (5) years and shall provide certificates of completion with hours earned to students upon their successful completion of each course. The certificate shall bear the course identification number as assigned by the Commissioner of Insurance or his designee.

(9) The Commissioner of Insurance may, in his discretion, designate an independent evaluation educational service to evaluate and administer education programs, subject to his direction and approval. The evaluation fee charged by such

educational service shall be paid by the applicant to the service.

SECTION 3. (1) A prelicensing and continuing educational advisory committee, comprised of seven (7) individuals who are representatives from each segment of the life, health and accident industry, may be appointed by and shall serve at the pleasure of the Commissioner of Insurance to advise the commissioner concerning prelicensing and continuing educational standards. Each committee member shall agree to serve a minimum of two (2) years. The chairman of the committee shall be appointed by and shall serve at the pleasure of the commissioner.

(2) A majority of those present at any meeting of the educational advisory committee shall be a quorum for purposes of performing the duties of the committee under this section.

(3) The committee may advise the commissioner on program content and exceptions as permitted under this section.

(4) The committee shall be available to consider other related matters as the commissioner may assign.

SECTION 4. (1) Applications for original licenses shall be accompanied by a signed statement, under oath, on a form prescribed by the Commissioner of Insurance, listing the courses that were taken in compliance with this section or a certificate of attendance signed by the educational provider.

(2) Each licensee shall submit annually certificates of attendance signed by the continuing educational provider setting forth the program in which he has participated during the reporting period. Each licensee shall maintain a record of each continuing education certificate for a period of no less than five (5) years.

(3) The responsibility for establishing whether a particular course or other program for which credit is claimed is acceptable and meets the continuing educational requirements as set forth in this section rests solely on the licensee.

SECTION 5. The Commissioner of Insurance, upon written

request, may grant exception to or extend the time in which a licensee must comply with the continuing educational requirements of this section for reasons of poor health, military service or other reasonable and just causes.

SECTION 6. (1) Any individual failing to meet the requirements of this section and who has not been granted an extension of time within which to comply or who has submitted to the Commissioner of Insurance a false or fraudulent certificate of compliance shall be subject to suspension or revocation of all licenses issued for any kind or kinds of insurance. The individual shall be notified of his right to a hearing. No further license shall be issued to such person for any kind or kinds of insurance until such time as the person has demonstrated to the satisfaction of the commissioner that he or she has complied with all requirements of this section and all other laws applicable thereto.

(2) The Commissioner of Insurance may suspend, revoke or refuse to renew a course provider's authority to offer courses for any of the following causes:

(a) Advertising that a course is approved before the commissioner has granted such approval in writing;

(b) Submitting a course outline with material inaccuracies, either in length, presentation time or topic content;

(c) Presenting or using unapproved material in providing an approved course;

(d) Failing to conduct a course for the full time specified in the approval request submitted to the commissioner;

(e) Preparing and distributing certificates of attendance or completion before the course has been approved;

(f) Issuing certificates of attendance or completion before the completion of the course;

(g) Failing to issue certificates of attendance or

162 completion to any licensee who satisfactorily completes a course;

163 (h) Failing To notify promptly the Commissioner of
164 Insurance of suspected or known improper activities; or

165 (i) Any violation of state law.

166 (3) A course provider is responsible for the activities of
167 persons conducting, supervising, instructing, proctoring,
168 monitoring, moderating, facilitating or in any way responsible for
169 the conduct of any of the activities associated with the course.

170 (4) In addition, the Commissioner of Insurance may require
171 any of the following upon a finding of a violating of this
172 section:

173 (a) Refunding all course tuition and fees to licensees;

174 (b) Providing licensees with a suitable course to
175 replace the course that was found in violation; or

176 (c) Withdrawal or approval of courses sponsored by such
177 a provider for a period determined by the commissioner.

178 SECTION 7. This act shall take effect and be in force from
179 and after July 1, 1999.